

NEWS IN SUMMARY

Youth plan protest by Quakers

The Society of Friends has protested at government proposals for voluntary training of young people with the armed services (Our Religious Affairs Correspondent writes). "More submission to authoritarian discipline" is the wrong kind of training to give young people, the society states in a letter to Mr John Nott, Secretary of State for Defence.

The Quakers say their commitment to peace caused them to condemn "a system that was designed to train people to kill others and they feared that such attitudes and methods would be passed on to young volunteers who took advantage of the Government's scheme. They were also concerned that a close association with the Army could encourage violent attitudes among young extremists."

Charity loses £120,000

The Scottish Society for the Prevention of Cruelty to children lost £120,000 last year and says that some of its work is in danger. (Jonathan Willis writes).

Announcing the deficit in Glasgow, Mr James Souness, the society's finance convener, said voluntary fund raising was up £50,000 but there had been a £120,000 loss in council donations.

Nottingham News to close

The Nottingham News, a weekly newspaper set up by dismissed journalists three years ago, is to close because of cash difficulties. The last edition of the paper will go on sale on Friday.

The reporters were dismissed by the Nottingham Evening Post managing director for joining a national strike by provincial journalists. They set up a workers' cooperative to run the paper, which was backed by the National Union of Journalists.

Clerical collars for Poland

The Anglican church at Kenton, Denham, is sending Catholic priests in Poland a package of goods, including 250 clerical collars and 100 pairs of women's tights, in a £10,000 consignment of medical supplies.

Prebendary John Parkinson responded to an appeal made by the wife of a Polish priest from the church pulpit. The collars were given by a firm of ecclesiastical outfitters.

Girl aged five has typhoid

A girl aged five in Southampton has typhoid. She was admitted to the city's general hospital last Friday. The Southampton Health District said yesterday that the girl was doing well.

Her sister, aged three, was also admitted to hospital on Monday, was "comfortable" yesterday. Two other girls, cousins aged 13 and 5, have also been admitted to hospital for observation.

Telephone links for bird study

Telephone links were opened yesterday by the Royal Society for the Protection of Birds as part of a research programme into bird migration.

Over the next nine weeks the society's 100,000 members are being asked to telephone with information about birds arriving in Britain after wintering abroad. The telephones will operate on Tuesday nights at the society's headquarters at Sandy, Bedfordshire, and in Belfast, Edinburgh, Newtown in Wales, and Dublin.

Windmill plan for white cliffs

A government department is planning to build a 56 ft windmill near the top of the white cliffs of Dover to produce electricity for important radio equipment.

The Property Services Agency wants to put up a Danish-designed aerogenerator at Swingeat, near Dover, where three towers are used by authorities, including the United States Air Force. One is used for British defence communications.

Woman admits stabbing boy

A woman who stabbed a boy aged four, penetrating more than four inches into his body, was sent to a mental hospital without limit of time in the High Court in Edinburgh, yesterday.

Jeanette Barnes, aged 31, of Halesland Park, Edinburgh, admitted stabbing the boy to his permanent impairment and attempting to murder him in a children's play area on the Western Hales housing estate in the city.

Teacher wins as her attacker is found guilty

By Diana Geddes, Education Correspondent

Miss Suzanne Puttock, the north London primary school teacher who claimed that she was told she was wasting public money by bringing an assault case to court and that she could expect to be hit at least another six times, won her case yesterday against the mother of one of her pupils.

Mrs Cyril Alcendor, otherwise known as Mrs Saint-Marie, a mother of four children, of north London, was found guilty of assault by Mr Robert Hines, a stipendiary magistrate, at Highbury Corner Magistrates' Court. She was remanded on bail for pending medical and social reports, she had pleaded not guilty.

The court was told that Mrs Alcendor had been convicted of seven previous cases of assault in the last two years, including six on policemen, some occasioning actual bodily harm, and also that she had received treatment for mental disorder.

After the hearing Mr Brian Jones, deputy head of Highbury Grove School, Islington, and a national executive member of the National Association of Schoolmasters' Union of Women Teachers (NASUWT), to which Miss Puttock belongs, said the union was still pressing for a full inquiry into comments made last January by Mr David Fingleton, another stipendiary magistrate, at Highbury Corner, when the case first came before the court.

The Prime Minister said at the time that she found the magistrate's alleged comments "utterly astonishing". The Lord Chancellor's Office had sent officials to find out exactly what had been said, she added. Lord Hailsham of St Marylebone, the Lord Chancellor, wrote to Mr Terence Casey, general secretary of the NASUWT, and to various local MPs last month saying that that inquiry was now complete, and that Mr Fingleton's version of what had been said was "entirely different" from the "press reports which were the result, Lord Hailsham claimed, of a distorted and an inaccurate report from an unspecified source".

However, both Mr Jones, who has attended all the court hearings, and Miss Puttock yesterday stood by their version of what Mr Fingleton said.

Miss Puttock told the court yesterday that on December 4 last she was getting ready to dismiss her class at Newington Green primary school at the end of the school day when Mrs Alcendor, the mother of one of the pupils, walked into the classroom and accused her of hitting her daughter, Brenda, aged seven, with a belt and gave her a "hefty push" on the chest.

Mrs Alcendor told the court she had not touched Miss Puttock. "I was going to hit her because she had hit my kid", she said. "The thought was there to do it, but I did not because she stumbled and fell to the floor."

Another case for European court

Details of a boy aged nine who was sent to the head of a Roman Catholic primary school a few hours after the European Court of Human Rights gave its judgment last month have been revealed by the anti-beating pressure group, Stop (Lucy Hodges writes).

The Society of Teachers Opposed to Physical Punishment is complaining to Strasbourg that the caning of Christopher Roach at St Monica's Roman Catholic Primary School, Hoxton, East London, was a flouting by the British Government of the ruling by the European Court of Human Rights because Mrs Roach had asked that she be consulted before her son was beaten again.

'Christian' advertisement ban angers doctors

By Our Home Affairs Correspondent

The banning of an advertisement for a Christian doctor in a medical newspaper has brought strong protests. The newspaper, Pulse, sought advice from the Commission for Racial Equality before publishing the advertisement and was told that to do so would be illegal.

Pulse said that according to the CRE the advertisement could be seen to deter, for example, Jews, Hindus and Buddhists, and indicated an intention to discriminate against them. "Britain is a Christian country, and if religion is important then it will help your partners share your faith."

Pulse said doctors had written to protest at the ruling. And Canon Raymond S. Wilkinson of Solihull who heard about it from a local consultant, told The Times: "As a Parish priest who has owned an immense amount to the co-operation which exists between the church and medicine, I am dismayed and angry that a mission should interfere in what appeared to me to be a perfectly legitimate and appropriate type of advertisement, especially in an allegedly Christian country."

But Mr Frances Deutsch, senior legal officer at the commission, said the advice was given on the basis of section 29 of the Race Relations Act, 1976, though there had not been a court ruling on the subject.

Acts were unlawful which might be understood as indicating, an intention by a person to do an act of discrimination, whether the doing of the act by him would be lawful or unlawful.

Legal advice to the commission has been that religious preference is an act of indirect discrimination. There would, however, be defence if it was justifiable. An advertisement would not be, Mr Deutsch said.

Prisoners locked up for 14 hours

By Peter Evans, Home Affairs Correspondent

Staff at Gartree Prison, at Market Harborough, Leicestershire, are so worried about the possible recurrence of riots that they are undermining the prison's role, a report by the Chief Inspector of Prisons said yesterday.

To exercise strict control over the top security prisoners held there, officers are locking them up for 14 or 15 hours a day. Evening classes are cut to one evening a week and good work facilities are under-used.

There is "considerable resentment" among prisoners serving long sentences, the report says; and the original concept of a liberal regime within a secure perimeter has been undermined. The report says: "By their continued lack of self-confidence, the staff are creating a feeling that disruption is likely."

The medical officer thought there had been trafficking in cannabis and occasionally LSD, but it was now felt to be under control.

Referring to Gartree's "troubled history", the report says that disturbances and a serious riot in 1972 made the prison known by senior staff as one to be avoided. Another riot in 1978 almost destroyed the prison, and two of the four wings have been put out of action ever since.

The prison was still only half occupied at the time of inspection in June. Though C-wing still requires much work, completion of D wing was mainly being held up by a ban by the Prison Officers' Association on occupation until a second means of access was provided.

HM Prison Gartree. Report by HM Chief Inspector of Prisons. (Home Office, London, £1.10).



Classroom sleep-in called off

Children from a Suffolk comprehensive school listening to the radio news about themselves yesterday afternoon, spending Monday night in their classroom. The protest by 53 pupils in a busing dispute was called off last night when Mr John Crosby, headmaster of East Bergholt High School, locked them out as they prepared for a second night of occupation. (Michael Horsnell writes).

The children, from Capel St Mary village, are protesting against a charge of £17 a term by Suffolk County Council for school bus passes. The charge applies to all children who live within three miles of the school.

The children, aged 12 to 16, slept in classrooms supervised by five teachers and two council officials on Monday. Their parents provided food and blankets, but yesterday

Mr Crosby urged parents to end the confrontation.

Mr Duncan Graham, the county chief education officer, said: "Regardless of the rights and wrongs of the matter, to use children in the way that they have been by their parents is very, very sad." Mr Derek Hurley, joint chairman of the village bus action group, said: "I feel we have made our point."

Leave town, judge tells pornographers

Soho "pornography merchants" were told in the Court of Appeal yesterday: "Pack your bags and get out of town."

Upholding a six-month jail sentence on Christopher Holloway, aged 31, for possession of obscene articles, including video pornography, Lord Justice Lawton commented: "There is evil in this type of pornography and it is an evil that has to be stamped out."

He continued: "When news of this judgment reaches Soho it is to be hoped that a considerable amount of stocktaking will be carried out within 72 hours. If there is not, there is likely to be a considerable depletion in the population of that area in the next few months."

Holloway, of Trinity Terrace, Leighton, Essex, who was jailed at Knightsbridge Crown Court on January 22, had his appeal against sentence dismissed. He had been brought to trial after raids on his shops in Wardour Street and Old Compton Street in March and April, 1980.

Lord Justice Lawton, sitting yesterday with Mr Justice Thompson and Mr Justice Jupp, said it was the first case of its kind for some time to reach the Court of Appeal and the court felt a policy statement should be issued.

This was not a case of an elderly judge setting what some might regard as old-fashioned standards. "If a

modern jury takes the view that books and films and video tapes are obscene, it can be taken by this court that they are reflecting present-day attitudes to this material."

The judiciary had known for years of its harmful effects on offenders and even on couples in the course of their married lives. "We must make it hazardous for those convicted of commercial exploitation of pornography."

The judges were told today that Holloway had given up the trade.

A series of 29 planning appeals by sex shop operators begins in London today against enforcement orders served by Westminster City Council on premises in Soho and Paddington. They involve premises allegedly operating as sex cinemas, nude encounter parlours, sex shops, live peep shows and intimate sex film booths, as well as other infringements of the planning laws.

A jury decided at Inner London Crown Court yesterday that the uncensored version of Linda Lovelace's intimate sex film, Deep Throat, was obscene and likely to deprave or corrupt. They convicted two men of possessing obscene articles for publication for gain.

Law report, page 23

'Wall of prejudice' in prison death trial

From Arthur Osman, Leicester

A defence counsel in the case of the three prison officers accused of murdering an inmate of Winson Green Prison, Birmingham, suggested yesterday that there had been "a wall of prejudice".

That was in reply to a claim by the Crown that there had been "a wall of silence" surrounding the case.

Mr Patrick Bennett, QC for the defence of Melvin Jackson, aged 33, said the officers were justified in having the full protection of law to have a fair trial and "not trial by the mob or media".

Mr Jackson, Eric Smith, aged 25, and Howard Price, aged 32, who all worked in the hospital wing of the prison where the dead man, Barry Prosser, aged 32, was held on remand in August, 1980, all elected to make statements from the dock at Leicester Crown Court rather than go to the witness box.

Mr Bennett told the jury of four women and eight men: "In our society those who are responsible for maintaining discipline either outside the prisons or within them are subject to a great deal of

prejudice. Any mistake or apparent mistake receives the greatest publicity in the media."

He said it was impossible for anyone to define or discover motives when examining the evidence of Patrick Galvin, a prisoner, who had said he saw the three accused go to the cell where Mr Prosser was held.

"He would not be the first person who sought to cast aspersions against prison officers," said Mr Bennett.

Mr Douglas Draycott, QC for the Crown, told the jury it was a very important case for the defence of Mr Smith, suggested three possibilities about the evidence of Mr Galvin. He said there was a chance that pressure had been exerted on Mr Galvin by other prisoners.

In February last year, when Mr Jackson first appeared on a murder charge in the magistrates' court, Galvin was not called to give evidence. This was on the advice of the Director of Public Prosecutions.

Mr Palmer said: "Galvin had been ignored by the prosecution. What better way to draw attention to himself than to say something new and dramatic? A third possibility is that Galvin is simply and utterly confused."

Mr Justice Skinner is expected to sum up today and the jury to consider its verdict tomorrow.

High hopes for salmon harvest in Thames

By Tony Samstag

The salmon of the Thames are coming home, and with any luck at all will spawn. The fisheries officers of the Thames Water Authority are confident that this year will see a positive spawning of 4-to-16 pounders thrashing their way upstream from the sea.

They are the early harvest of the £600,000 scheme, started three years ago, to bring salmon back to the newly cleaned waters of the Thames system after more than 150 years. Each year since 1979 the authority has been releasing 50,000 young parr, as the smolts they have migrated to the sea, where they spend one to three years before undertaking the return journey. According to Mr Mike Bulleid, the Thames fisheries officer, the total return this year will reach the hundreds.

Last month Angler's Mail reported the discovery of an adult male salmon carrying milt and weighing more than 4lb, in the river Milsbourne, near Denham, Buckinghamshire, which is linked to the Thames by the river Colne. Markings identified it as one of the original yearling fish put into the Colne system in 1979, probably in a different tributary, the Chess.

It is the fourth marked fish to be found in the Thames system since the stocking, but the first to have approached a spawning area.

The water authority has applied to the Ministry of Agriculture, Fisheries and Food for permission to build a fish path and trap at Molesey Weir, just above Hampton Court, to make the salmon census more accurate. Permission has been granted for the path, which is expected to be installed shortly; the trap is still under consideration.

Mr Bulleid said he would advise all fishermen that fishing is free on the Thames up to City Stone, at Staines; a fishing licence is required, however, as is permission from landowners where the river frontage is not publicly owned.

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RAPIST JAILED FOR LIFE

A man aged 43, with a long record of sex offences was jailed for life yesterday for abducting and raping a college student.

Exeter crown court was told that Terrence Dinham had spent 19 of the last 20 years in jail for sex offences and was released only last July. He went to live with his mother in Musgrove Road, Taunton, Somerset. In October he set out in his van with the use to rape, persuaded a girl aged 18 to enter it, and threatened to murder her unless she succumbed.

On hearing his convictions Mr Justice Bristow said: "It is clearly unsafe for the unfortunate Mr Dinham to be at large."

Lightning kills man

Mr George Collins, aged 63, was killed by lightning yesterday while walking to work near Hollingbury golf course in Brighton, from his home near by at Denton Drive.

Lord Jellicoe's new role Out of the political wilderness



Lord Jellicoe: An extrovert and hedonist

of King George VI in 1937. He had a distinguished war record in the Coldstream Guards and in command operations in the Middle East, winning the DSO, MC, Legion d'Honneur and Croix de Guerre.

After the war he pursued a career in the diplomatic service, serving in Washington and Brussels and rising to deputy secretary general of the Baghdad Pact organization.

But he abandoned the service in 1956 because, it was said, at the time of matrimonial difficulties, his first wife initially refused him a divorce so that he could marry again, and he felt that his private circumstances had put paid to any further promotion, particularly in view of extensive newspaper publicity.

But in 1961 Mr Harold Macmillan made him a junior minister and he became Minister of Defence for New Zealand before the Conservative defeat in 1964.

Mr Heath appointed him to higher office during his government. As Minister responsible for the Civil Service Department, he organized some far-reaching and difficult changes in the Civil Service, after the miners' 1973 and the three-day week. Mr Heath made him responsible for coordinating efforts to get Britain back on its feet.

After his resignation from the diplomatic service in 1956 he went to work for a City shipping firm and after his

resignation from the Government in 1973 he returned to business life.

He is now chairman of Tate and Lyle, the sugar company, which has traditionally been in the forefront of the free enterprise movement. He is also a director of S. G. Warburg, Sotheby's, Smiths Industries and Morgan Crucible.

Colleagues describe Lord Jellicoe as an extrovert and a hedonist who has built his political and business careers on shrewdness and insight. They describe him as not flamboyant, but honest and frank to the extent that he does not hide his weaknesses.

At the time of the Profumo scandal in 1963 he attacked the country at large for its "sneaking, sneaking, sneaking frame of mind". When he himself became mildly involved in a none-too-serious scandal, he felt obliged to resign instantly.

After eventually obtaining a divorce in 1966 he remarried Mrs Philippa Bridge. He has four children by his first marriage and three by his second.

Members of the Manx Parliament were told yesterday that the recession had caught up with the tax haven island, where an annual budget surplus is demanded under Manx law.

Dr Edgar Mann, the new Chancellor of the Manx Exchequer, told Tynwald, the Manx Parliament, that despite annual warnings from the Manx treasury, government expenditure had in the past few years risen by about £5m a year in real terms. At the same time, income from

direct and indirect taxation had remained static.

The result, Dr Mann said, was that "the lines between income and expenditure are about to cross into revenue deficit". The medicine prescribed by the doctor and his fellow members of the Manx government finance board is likely to prove unpalatable both to colleagues in government and the public. Services such as health, education and social security virtually doubled in the boom years of the mid to late 1970s.

Cash crisis in tax haven

From Our Correspondent, Douglas, Isle of Man

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She is just one in half a million

Children can't understand adults' quarrels, but parents are concerned, mothers desperate. Today 7 million innocent victims of conflict are homeless and destitute in El Salvador and neighbouring countries. Their needs are urgent. We are supplying: medical help - drugs, equipment, trained staff; shelter, temporary and permanent; food; clothing; seeds & tools for farmers; help for people to re-build their lives. We need money urgently. Please send as much as you can. Send your contribution with the coupon to the address below. Or through P.O. Giro. Acct. No. 5099919.

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PARLIAMENT March 16 1982

PM to take part in disarmament conference

PM's QUESTIONS

The Prime Minister is to attend the special session of the United Nations on Disarmament in June, she said during questions.

Sir Russell Fairgrieve (West Aberdeenshire, C) said that while support in Scotland for the United Kingdom's nuclear deterrent was better than from military weakness.

Mrs Margaret Thatcher: I agree. This Government, like its predecessor of which Mr Foot and Mr Benn were both members, believes in keeping a nuclear deterrent as a safeguard to our strength. Also, it is better to negotiate disarmament from a position of strength.

Yesterday and today about questions raised by the French on the development of European independent defence policy.

A Conservative MP: Run by the French.

Mr Urwin: Would she subscribe to Mr. Thatcher's belief that Western European nations provide a ready-made forum for development of such a policy?

Mrs Thatcher: We should be very wary before we have in Europe a scheme which applies only to Europe while we have Nato. That would not be in the end unite the western world in defending its own interests but would hold the possibility of dividing us from our friends across the Atlantic, the ultimate guarantors of freedom.

Idle hands are getting into mischief

The present levels of unemployment were not a reason for the sharp increase in crime, Mrs Margaret Thatcher said at question time.

Earlier Mr Densmore (Dover)

Fairgrieve: Military strength

(Chorley, C) had pointed out that the key issue in the north-west was law and order. Would she break with tradition (he asked) and allow another debate on capital punishment in the lifetime of this Parliament? (Conservative cheer)

Mrs Thatcher: I quite understand that law and order is a very important issue in the public mind and for very good reasons. We have already had one debate on capital punishment. I would have considerable doubts whether another would have a different result. It is a matter for the Leader of the House (Mr Francis Pym).

Urwin: Ready-made forum

steadily rose. Street crimes of mugging are very much, for obvious reasons, in the centre of our citizens' and obviously idle hands get into mischief. That is not a reason in my view for the very sharp increase in crime.

Varied pay for teachers favoured

EDUCATION

Sir Keith Joseph, Secretary of State for Education, said that he is in sympathy with pay differentials for teachers so that teachers who are in short supply for some subjects are paid more than others.

Mr Kenneth Carlisle (Leeds, C) that a working party of the Burnham committee was studying the whole area of salary structures. He said that the Education Secretary at present of general support for the concept of differential pay for teachers of certain subjects.

Mr Carlisle: Despite that disappointing answer, in almost every activity in this country there is a chance to reflect the skill demanded. It would be right in education to move to a system by which maths and physics teachers who are in short supply could be paid more than teachers in other subjects who are in over supply. It is necessary to do this to secure the right teaching in the essential to our national future.

Sir Keith Joseph: I am sympathetic to the general proposition put forward by him, and the Cockcroft committee on mathematics teachers' pay recommended a differential in their favour, recognising that the Government already has one in favour of studying the recommendation.

Mr David Mafel (South Bedfordshire, C) in considering the future pay structure the Burnham committee should consider the need for a retraining course.

Sir Keith Joseph: That is a good idea that should be taken into account. The Burnham committee is associated with the proposals for revised salary structures put forward by the committee. There are important questions still to be settled, such as how the competence of teachers can best be assessed.

Mr Neil Kinnock, Opposition spokesman on education (Bedfordshire, Lab): When the Burnham committee is asked to support a reference to arbitration of the teachers' pay dispute?

Sir Keith Joseph: I do not think Mr Kinnock expects me to answer that question.

Sex education a matter for parents

The sexual propaganda in schools of organizations like the Family Planning Association was condemned by many people to be immoral and dangerous. Mr John Stokes (Halesowen and Stourbridge, C) said during questions.

Mr Stokes had asked the Secretary of State for Education and Science if he was satisfied there were sufficient legal powers to enable a parent to withdraw his child from sex education if such education was contrary to that parent's philosophy.

Mr Rhodes Boyson, Under-Secretary of State for Education, said that he was satisfied that the law was clear there should be no consultation and no parental consent in the case of parents who object to the way in which sex education is provided.

He accepted some of the comments of the hon. member for Halesowen and Stourbridge that schools would be repulsive to all MPs. They had asked for some to be taken out last year and were asking for more to be taken in this year.

In the 1980 Act, the Government had provided for every school to provide information as to the way sex education was taught. This must also be discussed with parents before being put into operation.

Mrs Reese Short (Wolverhampton, C) said that she should reject the Neanderthal attitude of Mr Stokes. Nobody denies this is a matter for parents, but if they are not taking or are not happy with the results in public examination.

He said it would be helpful if such records offered an indication of proficiency in skills such as numeracy and literacy and the ability to communicate effectively.

Tape recording experiment to be extended

The experiment in Scotland into tape-recording of police questioning of suspects is to be extended to police stations in Glasgow and Aberdeen from April this year.

Mr George Younger, Secretary of State for Scotland, said in a written answer.

The report should include some way to assess the extent to which there was a technical spin-off from education.

Under the aid programme, there were 14,000 foreign students in Britain in 1980 and a similar number this year.

The three options for release of Walesa

From Roger Boyes, Warsaw, March 16

Mr Lech Walesa, the imprisoned Solidarity leader, is understood to be having talks with senior government officials over the next two days to discuss, among other things, conditions on which he will be allowed to attend the christening of his second child.

These talks run parallel to tentative contacts between Solidarity and the Government through intermediaries aimed at working out an agenda for future negotiations.

There is no way of confirming whether Mr Walesa has actually met the officials — other meetings in the past have been called off at the last minute — but a Solidarity aide emphasized that talks were scheduled for today and tomorrow.

The talks come at a time of growing pressure on the Government, especially from Archbishop Jozef Glemp, the Polish Primate, to release Mr Walesa at least for one day to attend the ceremony. Mrs Danuta Walesa, his wife, has also appealed to General Jaruzelski, the Polish leader, for her husband's release.

The Government thus has some face to lose if it turns down the request for the temporary release of Mr Walesa, who is interned in a palatial villa outside Warsaw.

As a stalling device, officials have told Mrs Walesa that they have received no formal request from either her or her husband.

The Government appears to be considering three options: allowing Mr Walesa to attend the ceremony on Sunday but under heavy police guard; transferring the ceremony at the last minute to Warsaw — and thus heading off any protest demonstration; or for the same reason, pushing the ceremony forward to Thursday or Friday.

A fourth option of simply refusing permission to Mr Walesa seems to have been ruled out at present, because of the delicate state of contacts between Solidarity representatives and the Government.

However the Government's fear of unrest is a real one. Mr Walesa's presence in Gdansk — even under police guard — could have an explosive effect in the birthplace of Solidarity. More-over on Friday falls the anniversary of last year's incident in Bydgoszcz, when militiamen had beaten up activists who had staged a sit-in at the headquarters of the United Front Party in support of farmers' rights.

The authorities in Bydgoszcz have blocked off certain key thoroughfares, in anticipation of trouble.

Mr Stanislaw Ciosek, the Trade Union Minister, is due on Friday to give his first press conference since the declaration of martial law three months ago, this suggests that the Government may have something concrete to announce about the immediate future of Mr Walesa.

Mr Ciosek has been the main contact with Mr Walesa on a ministerial level and despite official denials seems to feel that Mr Walesa and Solidarity should be brought into the current discussion over the future shape of trade unions.

The national commission effectively the executive of what remains of Solidarity met just over two weeks ago and reaffirmed the following three principles: talks with government should start as soon as possible; all internees should be freed; and future trade unions should have a regional rather than industry-based structure.

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France unmoved by proposals to curb Soviet trade

From Charles Hargrove, Paris, March 16

The delegation headed by Mr James Buckley, the American Under-Secretary of State, which is touring Western Europe to discuss the application of sanctions on Russia over the imposition of martial law in Poland, received the same polite but non-committal welcome in Paris today that he received in Bonn.

Mr Claude Cheysson, the External Affairs Minister, and Mr Jean-Claude Paye, the head of the Economic Affairs Department of the Quai d'Orsay, merely took note of the suggestions that France should reduce its credits and government subsidized soft loans sharply in the future in exchange for American consent to the Siberian gas deal signed with Russia last January.

The American Administration has abandoned the idea of getting the French or West German Governments to go back on the financial conditions of the deal. French, state guarantees granted to Russia which cover about 85 per cent of the contract worth 4,500 million francs (£409m) for the provision of equipment for the gas pipeline, including compression and refrigeration stations and telecommunications systems, by three leading French companies. This represents more than 20 million man hours for French industry between now and the completion of the pipeline in the mid-1980s.

More recently, a group of French banks agreed to make available to Russia an additional loan of 500 million francs, so that the whole cost of construction is now covered although this last loan is not guaranteed by the state.

There was never any question of the French Government going back on the deal, for either economic or political reasons, in spite of considerable pressure from Washington.

President Brezhnev said that the Soviet Union and its allies would not be hurt by Western trade sanctions applied over the Polish crisis.

Speaking to the Soviet trade union congress, he suggested that many of America's allies would suffer economically by aligning themselves with Washington-inspired sanctions. Many of America's allies were more dependent on foreign trade than Washington.

India startled by size of Ustinov delegation

From Trevor Fishlock, Delhi, March 16

The size and high rank of a Russian military delegation visiting India has surprised the Indian Government and has led to considerable speculation about the visit's purpose.

The delegation which arrived here yesterday is headed by Marshal Dmitri Ustinov, the Soviet Defence Minister and includes the Navy and Air Force chiefs, and the deputy chief of the Army staff, 30 generals and 10 other senior officers.

The Indians were taken aback when they were given the list of visitors as they had been expecting a much smaller group. They have been at pains to say that no undue significance should be placed on the visit.

Although the Russians are the largest supplier of arms to India, and India's future needs are clearly a subject for discussion, there are other reasons for the visit. Against a background of disapproval for its actions in respect of Afghanistan and Poland, the Russians are anxious to show the flag in a country with which they have a fairly good relationship.

However, for its part, India is trying to strike a balance between welcoming the visit as a status of importance while avoiding the impression that the relationship is warmer than it is.

It is assumed here that because President Brezhnev's reign is in its final stage, one purpose of the Russian visit is to give, and seek, assurances that there will be continuity in the relationship with India after the changes in the Soviet leadership.

During the six-day visit the Russians will be discussing the supply of MIG27 aircraft and T82 tanks. The Indians also want to build MIG23s in their own factories and they are anxious that the Russians should speed up the supply of spare parts, something of a sore point.

The Russian visit is by no means all work. After inspecting warships in Bombay, Marshal Ustinov and his team inspected the erotic temple statues at Khajuraho, in Madhya Pradesh. Tomorrow, they are due to see the Taj Mahal and a factory where Bangalore building MIGs and assembling British Jaguar strike aircraft.

Some of its schools are giving a day off, but many children will be absent. Roman Catholic schools are granting a day off, but not tomorrow.

Sales of green paint have soared and many rivers throughout the country will flow green from buckets of dye tossed in. By lunchtime tens of thousands of people from Tees to Thames will be drunk by mid-afternoon they will be bawling and by nightfall hundreds will be sleeping off in jail. The man who drove snakes from the island would never have believed it.

MP fails to make BR sell assets

TRANSPORT

Mr John Farr (Harborough, C) was refused leave to bring in a Bill to provide for the sale of the ancillary assets of British Railways. He introduced his British Railways (Divestment of Assets) Bill under the ten-minute rule, but it was rejected by 16 votes to 152, majority against, 14.

Mr Farr said he and his constituents had been exasperated by the recent Adf strike which cost British Rail about £100m, made up of £75m revenue losses and £25m payment to non-Adf staff. His constituents strongly objected to paying a single penny to the cost of this strike, especially as its purpose was solely devoted to preserving a put-of-date and archaic rostering system unchanged.

This legislation would require the disposal of their 26 railway hotels throughout the country and their 30 Sealink ships as soon as possible to the highest bidder. The 13 railway workshops which employed about 39,000 people should be sold. They were grouped together under British Railways Engineering and enjoyed a monopoly of BR business, but their export efforts had been meagre.

The Bill would enable private caterers to operate restaurant cars and canteens in railway stations.

It would also give a new lease of life to branch lines. The measure would set up a holding authority to take in the disposal of 7,000 miles of track at once with a duty to dispose of these lines to local consortia of businessmen, local industrialists or hotel and tourist groups.

The lines would not necessarily be profitable but at least they would serve the local public need and with local knowledge, business acumen and enthusiasm they would gain a new lease of life to the benefit and not the loss to BR, to whom they were at the moment a drain on the Treasury.

If his Bill was accepted, British Railways would be left with a much slimmer-downed operation and would be able to concentrate their efforts on providing the nation with an efficient, inter-city network into the 1990s and beyond.

Mr Peter Snape (West Bromwich, East, Lab) opposing the Bill, said the idea of private management for British Rail's rural services was a disaster. He said that there was a minor fly in the ointment—who was going to buy them? What private enterprise company, if there were any left after the ravages of the present Government, would want to take on a loss-making business?

There had also been a suggestion of little consultation of local authorities to take them over and yet the shire counties contributed only £500,000 towards railway support in the last year, which was less than one tenth of one per cent of the total figure.

He would hardly be encouraged by the Secretary of State for the Environment to go in for even greater local government expenditure. He was why it was necessary for central government to retain control.

There were many branch lines which recovered less than a half even a year after they were closed. The Bill would close many of these lines including some in Mr Farr's own constituency.

The properties owned by British Rail were assets which, carefully developed and disposed of at the right time and in the right conditions, could make a long-term contribution to railway finance, but if their sale was subject to blackmail and pressure this was unlikely to be the case.

On the suggested sale of British Rail workshops, he said the comment on their record of export orders was an insult to hard working men in towns like Swindon, York and Doncaster who had set an example to the world over railway exports.

Misgivings on anti-terror law

TERRORISM

Earl Jellicoe would undertake a review of the workings of the Prevention of Terrorism (Temporary Provisions) Act 1976, Mr William Whitelaw, the Home Secretary, announced late on Monday night in a debate on the Bill to amend the Act for a further year.

At the end of the debate, MPs voted to extend the Act for a further year, 257 to 133. This figure was the lowest of any year since the legislation was introduced.

Over the last year Mr Whitelaw or the Secretary of State for Scotland, Mr George Younger, had granted 50 extensions of detention beyond 48 hours by far the lowest number of any year since the Act came into force.

Last year the Secretary of State for Northern Ireland had granted 403 applications for extension beyond 48 hours. A substantial proportion of people were subsequently charged, or excluded from the country, or were satisfied that these powers were a great assistance to the Royal Ulster Constabulary in their fight against terrorism in Northern Ireland.

The police believed the powers were a vital weapon in their fight against terrorism. An extension of the operation of the Act was in April 1981, when a routine check in the Glasgow sorting offices of the Post Office discovered two letters which were found to contain arms and ammunition. After inquiries, 19 people were arrested and detained under the powers of the Act. This enabled further quantities of firearms, ammunition and detonators to be found.

Nine people were later charged with the offence of being knowingly concerned in the possession of arms and sentenced to periods of imprisonment ranging from four to 11 years. This operation would not have been fully carried out without the powers given by this legislation.

Such powers remained essential and this vital weapon must not be taken away from the police. The review would enable a decision to be taken on whether the powers were being operated as one would wish with the minimum inconvenience to innocent members of the public, the least possible infringement of civil liberties and the most effective use against the evil men who used violence for political ends.

Comfortable majority for Budget

LATE DEBATE

The main Budget resolution, amendment of the law, was carried at the end of the Budget debate on Tuesday night by 269 Government votes to 229 Opposition votes. The Government had comfortable majorities in four of the five divisions. The Finance Bill was brought in a read a first time.

During the later stage of the debate, Mr Robert Sheldon, an opposition spokesman on Treasury and economic affairs (Ashton-under-Lyne, Lab), said Mr Heath had been right when he said monetarism was dead. The Government had now to restate its economic strategy.

A major new tax avoidance industry had grown up on the back of the abolition of exchange control. Sir Geoffrey Howe, the Chancellor of the Exchequer, said the policies and prescriptions of Mr Short had been tested to destruction by the last Government.

Under Labour the rise in unemployment did not slacken during the year, or high spending, but only from the time when the Government, on the issue of long-term self-interest, a medium-term financial strategy with three key factors — establishment of monetary targets, reduction of public borrowing, and reduction of public expenditure.

The indications now pointed to improved employment prospects. Competitiveness had improved, and productivity had started to improve last year. Pay demands had moderated and the Budget measures coupled with the oil price fall should all help in the same direction.

More technical assistance would help UK firms

OVERSEAS AID

Increased technical assistance overseas could help this country by being used to purchase British equipment, Mr Benjamin Ford (Bradford, North, Lab) said in a written answer to a question on the second reading of the Consolidated Fund (No 2) Bill.

He said some of the increased technical assistance could be used to purchase British equipment. Mr Benjamin Ford (Bradford, North, Lab) said in a written answer to a question on the second reading of the Consolidated Fund (No 2) Bill.

Mr Michael Marshall (Arun, C) said that the kind of satellite television package that third world countries were looking for was a technical assistance programme which could be brought into these countries.

Mr Frank McKelhone, Opposition spokesman on overseas development (Glasgow, Queen's Park, Lab), said that there was deep concern about the 34 per cent drop in the number of overseas students coming to this country next year. That would have a substantial effect on university life and in the quality of universities. France and Russia were snapping up students from the Commonwealth.

Mr Neil Martin Minister for Overseas Development, said most people would like to spend more on aid, but Britain had not to get its economy right first and had to get growth going. The best form of aid was to help the developing world to increase trade by growth in Britain, which demanded that more should be done to help the developing world.

Overseas students were largely a question of Sir Keith Joseph, Secretary of State for Education, said that the Overseas Students Trust was looking at the whole matter and their report should be available in the near future, when it would be considered by the Government.

The report should include some way to assess the extent to which there was a technical spin-off from education. Under the aid programme, there were 14,000 foreign students in Britain in 1980 and a similar number this year.

Prentice: Trade spin-off

technical assistance should be used to purchase British equipment. In his constituency there was an international tractor and tractor factory which had been suffering redundancies and closures for several years. Was that not scandalous when much of the world was trying out for increased food production?

Mr Reginald Prentice (C) said that technical assistance was probably the most valuable part of the aid programme. There could be a trade spin-off from it. The case could not be proved by figures, but the aid programme as a whole and technical assistance in particular was right on moral grounds and right in terms of long-term self-interest.

Mr James Johnson (Kingston upon Hull, West, Lab) said if

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Schmidt faces power test in Lower Saxony

From Patricia Clough, Brunswick, March 16

Looking fit and in a fighting mood, Herr Helmut Schmidt, the West German Chancellor, plunged into the first of a series of political battles which could decide the future of the 12-year-old Social Democratic-Free Democratic coalition Government.

By this autumn, the most successful and popular Chancellor since Konrad Adenauer could well be out of a job. But not — came the clear message from the red-draped podium here — if he has anything to do with it.

Herr Schmidt arrived by helicopter to Lower Saxony to campaign in the first of four Land elections which could precipitate the smouldering crisis in his coalition in Bonn. A fifth test is the Social Democratic Party's (SPD) conference in Munich in April where the growing left wing is expected to put up a fight to stop the stationing of Nato medium-range in West Germany. If it succeeds, the Chancellor will resign and the coalition will break up.

The Chancellor, all his Cabinet ministers, his state secretaries and his whole party executive are campaigning in Lower Saxony to try to slow down, at least, the breakneck downhill slide of the fractious and disillusioned SPD. Its troubles are hampering Herr Schmidt's ability to govern in Bonn and undermining his prestige in the world.

Speaking to an audience of more than 3,000 in Brunswick's Municipal Hall, the Chancellor conceded that this is a difficult year, difficult to maintain a well-considered foreign policy, and difficult economically. But West Germany is still better off than all the other countries in Nato, and there is confidence in its economy abroad — after all why do rich Arabs invest their money in Frankfurt at 9.5 per cent interest instead of the 16 per cent they could get in New York? "Our voice counts for something in the world."

He speaks warmly of his independence from the United States. "We are not identical twins," the American high interest rates are "idiotic," he "does not go along with" much of what is happening in Central America. Trade with the Soviet Union helps peace and employment and "we are not going to let it be wrecked."

He swells with anger at whistles and boos when he mentions the Nato missile policy. "The fact that the Soviet Union has changed its mind and is negotiating in Geneva is entirely due to West German policy," he shouts.

Hitting out at his party's left wing he tells the blue and white collar workers the SPD traditional voters — that they must remain the heart of the party and not let themselves be "talked into a corner" by left-wing intellectuals.

Then the Chancellor, who had a heart pacemaker inserted a few months ago, jumps down from the platform to greet old party friends. Later, at a beer and schnapps session with party workers, he foils about merrily for a photograph, flexing his biceps and thumping comrades on the chest.

Clearly, the Chancellor appears in good shape. But his party and coalition on which his power rests is not. Internal dissent, two big scandals involving Cabinet ministers and trade unionists close to the SPD, and ever more bitter fights with the Free Democrats (FDP) over policy are taking their toll.

There is a growing feeling in Bonn that the end may come this year instead of at the next election in 1984. Hints, rumours and press reports are circulating that the FDP, which holds the balance of power is preparing to switch to a coalition with the opposition Christian Democrats.

But they need a clear reason — one could be a victory of the left at the

Munich congress, another could be if the Christian Democratic Union (CDU) wrests Hessen from the SPD and FDP in the October elections. This would be taken as a signal of the bankruptcy of the coalition in Bonn and would give the CDU a two-third majority in the Bundestag, the Upper House, with which it could stop all legislation.

The results of the poll on Sunday in Lower Saxony will be less dramatic but could be a bad blow for the SPD, at present in the opposition in that Land with 42.6 per cent of the vote. The local party will be happy if it could scrape up 40 per cent, but privately many fear that they will more likely be in the low thirties.

They had a grim foretaste last week in municipal elections in Schleswig-Holstein where the SPD lost six percentage points. Their ardent voters stayed at home in disgust and younger people drifted away to the ecological "Greens". The SPD's main effort in Lower Saxony now is to get people out to vote.

The Free Democrats who were catapulted out of the Land Parliament in 1978 are likely to return and form a coalition with the CDU. Curiously, this would suit the Social Democrats because the Free Democrats have made it a condition that the future Lower Saxony Government should not use its vote in the Bundestag to stop an increase in Value-added tax which the Government needs to finance its job-creation plans in Bonn.

The election is important for the future of Herr Ernst Albrecht, the clever, charismatic, ambitious Prime Minister who runs Lower Saxony rather like a private kingdom. Herr Albrecht, who is 51, is one of the main rivals for the post of future CDU Chancellor. If he loses votes, as he may well do, this would mean the end of his hopes in Bonn.

Turkey admits jail torture deaths

Ankara, March 16. — The Turkish Government acknowledged today that at least 15 people imprisoned in connexion with political terrorist activities had died in jail after being tortured, since the military takeover 18 months ago.

Mr. Ilhan Ozturk, the government spokesman made the disclosure in reply to Amnesty International that 70 prisoners had been tortured to death in Turkey.

The Amnesty list was delivered to the Turkish Embassy in London last January. It updated an earlier list of 62 people made public last autumn by the

London-based human rights organization.

Mr. Ozturk said an investigation into the fate of 49 people included in the Amnesty list was concluded and a similar inquiry was continuing about the others.

He said that 15 of these people had indeed died after being tortured — AP.



Not Cricket: Students disrupting the Durban anti-tour meeting.

Whites fight blacks over cricket

From John Woodcock, Durban, March 16

Violence erupted today at a lunchtime meeting held at Natal University which Mr Hassan Howa, the president of the South African Cricket Board, the breakaway organization whose members are mainly Cape Coloureds, was addressing.

The meeting had been organized by the Students' Representative Councils of three local universities. Many others were also attracted to

the meeting by the sound of mounting disorder and there must have been 1,000 people present by the time the heckling turned to fighting. The majority of non-whites were wearing stickers with the slogan "We Reject Racist Tours".

It looked as though a small band of mostly white students, from one of the halls of residence, had descended on the meeting to break it up.

Eventually they were put to flight by non-whites, who wielded chairlegs as truncheons. It was an ugly imbroglio, which should, in the words of the president of the Students' Representative Councils, "reaffirm our fight for democracy."

Mr Howa said that in a long experience of addressing public meetings he had known nothing like this.

Women block streets in abortion protest

From Harry Debelius, Madrid, March 16

Demonstration and sit-ins by women in at least three Spanish cities accompanied the opening in Bilbao today of a controversial trial of 10 women and one man charged with violating legislation of abortion. The trial had been twice postponed.

Senora Julia Garcia Navarro, a former shopkeeper from Basauri, near Bilbao, faces a sentence of up to 60 years. She is alleged to have carried out abortions for fees ranging from 800 to 5,000 pesetas (£4.28 to £26.74). Her daughter, who was a minor at the time of the alleged offences, is accused of assisting her. She faces up to 55 years.

Only nine of the women were present when the trial began. One, believed to have left the country, is being tried in absentia.

The Spanish Communist Party said in Madrid today that it would seek a free pardon for any of the 11 defendants who are convicted, and it called for a

prompt debate of a proposal to legalize the voluntary interruption of pregnancy, to substitute for current legislation, which prohibits all abortions.

The Spanish Socialist Workers' Party, the main parliamentary opposition, published a statement calling for new legislation "to make abortion no longer a punishable offence and to assure maximum levels of medical attention for women."

The trial began with the interrogation of Senora Garcia Navarro, accused of 34 abortion operations prior to October, 1976, when she and other defendants were arrested. She told the court she had carried out only one abortion.

In Barcelona, 150 women and 50 men blocked traffic by sitting down in front of the Palace of Justice. At midday, they marched to the headquarters of the Generalitat, the Catalan regional government, where police dispersed them.

CHALLENGE OF EEC TO BRITAIN

By Our Foreign Staff

To opt out of the European Community would be an admission of defeat in coming to terms with the modern world. Mr Christopher Tugendhat, the Vice-President of the European Commission, said in Sheffield last night.

Delivering the annual Morning Telegraph lecture in the city, he said that the Community had given Britain both the challenge to tackle the uncomfortable and sometimes painful process of change and adaptation and the opportunity to do this in a framework able to take account of Britain's special strengths.

The Labour Party's proposal to opt out of the EEC and retreat behind a barrage of import controls would mean the protection of old and uncompetitive industries at the expense of those which were modern, technologically advanced and offered hope for the future, he said.

Letter from Moscow

The play's the thing for Soviet youth

Soviet theatre is enjoying a remarkable boom. It is almost impossible to find a free seat in any Moscow theatre nowadays, and if you are lucky enough to have a ticket for a performance at the Taganka, where plays stretch the limits of official approval, or to a rock-opera or even to a decent production of Shakespeare, you have to jostle through the crowd of hopefuls who will round the door before each performance demanding "any spare tickets?"

A young generation of imaginative actors and innovative directors has made the theatre the most dynamic of the Soviet arts. And not only in the capital do productions play to full houses: theatres in Georgia and Estonia vigorously uphold local language and culture and have established reputations beyond their small republics.

It is not simply that the Rustaveli theatre from Tbilisi has played Brecht in Berlin, Shakespeare in London to critical acclaim. It is that the theatres are warm, comfortable and cheap and one of a few public diversions on long winter nights; nor that they are fashionable places to be seen where it is now modish to dress up in fur or Levis and display your jewels; nor simply that all the would-be intellectuals gather to find what their friends and rivals are up to. As well as all this there is a genuine intellectual curiosity among Soviet youth and a public thirst for discussion of real issues free from propaganda.

Theatres respond to this demand. There are of course the obligatory plays on the life of Lenin and other worthy themes. A new one entitled *Thus we will be victorious* has just opened at the Moscow Arts Theatre, and President Brezhnev and virtually all the members of the Politburo have just been along to see it. There are also plays that stir controversy, satirizing bureaucrats, depicting the wheeling and dealing of daily life, loneliness in big cities, family problems, village values. Some only just scrape past the censor; the late Yuri Trifonov's chilling *House on the Embankment* is a document of betrayal and cowardice during the Stalin purges, and as neighbours in the house denounce each other, I wondered what kind of friction ran through the white-haired citizens in

the audience who had themselves spoken the same words 45 years ago.

Controversial plays are the hallmark of Yuri Lyubimov, the liberal director of the Taganka who is even now locked in struggle with the authorities over plans to stage a life of Vysotsky, the balladier whose given rise to years ago has given rise to an extraordinary cult. But the Taganka is small and acts as an authorized safety valve. In the bigger theatres playwrights and directors resort to nuances to express forbidden judgments, and in keeping with long Russian tradition, even Gogol, Bulgakov and other classics are staged to make devastating comments on society today. Of course the censors suspect it, the critics wisely ignore it, and the audience is left to guess whether the cardinal in de Musset's *Love and Jealousy* is really intended as a portrait of Suslov.

Almost all theatres are repertory: sometimes eight productions run concurrently, and there can be extremely long runs at the Vakhtangova five years ago, don't worry — it's still on and still good. Ironically this has led to restlessness among directors and actors themselves — they cannot try anything new while people still clamour to see what is running.

Productions are lavish as state funds are plentiful, and stage design is sometimes strikingly modern. Many of the best Soviet artists find a freedom in theatre design not readily granted to the more ideologically restricted arts of painting and drawing.

Of course, the theatre's popularity has made tickets as hard to come by as car spares, classic books or decent spectacles, and, like all these, are valuable commodities to trade on the black market or offer as favours.

Perhaps some of the best drama is found in the thriving unofficial — but not underground — experimental and youth theatres that play in clubs, pioneer palaces and converted basements of blocks of flats. Students in jeans and sweaters pour in, always more than capacity, and sit cross-legged around the small stage. It gives the performance intimacy and intensity, but does create an alarming fire-risk.

Michael Binyon

CAPITAL PUNISHMENT

A message from the Police Federation

SEVENTEEN years ago, Parliament abolished the death penalty for murder. On several occasions since then, the House of Commons has voted overwhelmingly against the restoration of capital punishment.

Few Members of Parliament would dispute the assertion that a large majority of the British public would support the death penalty for murderers whose crimes are especially horrifying, but politicians insist that this is an issue of individual conscience, and that they are not obliged to follow public opinion.

The Police Federation, which represents 118,000 police officers in England and Wales, has a special interest in this question. Prior to the abolition of the death penalty, the murder of a police officer in the execution of his duty was a capital crime. Since 1965, there have been 26 cases in which police officers have been killed by criminals. In the 17 years before abolition, there were 11 such cases.

Today, there is widespread public concern over the sharp increase in violent crime. The Metropolitan Police announced last week that robberies in Greater London increased last year by 48 per cent. Firearms were carried in 1,415 cases, compared with 767 in the previous year. Other large cities are reporting similar increases in violent criminal offences. Last year for the first time, more than 100,000 violent crimes occurred in England and Wales.

The criminal use of firearms is of major concern. Prior to the abolition of the death

penalty, it was very rare for criminals to carry guns when committing crimes. They knew that if they killed in the course of crime, the death penalty would apply. Abolition of the death penalty removed this deterrent. Many robberies are committed by organised gangs who are only too ready to carry firearms and to use them against unarmed citizens. There is, after all, little real difference between a lengthy prison sentence for those caught committing armed robbery, and a sentence of life imprisonment for murder committed in the course of such a crime.

When Parliament abolished the death penalty, terrorism was virtually unknown in this country. In recent years, terrorists from Ireland and other countries have carried out a series of outrages in Britain. All too often, their victims have been totally innocent people with no connection with the cause which their killers claimed to support.

One inevitable consequence of the rise in armed crime and terrorism has been the increased arming of the police service. We are very proud of our tradition as an unarmed service, and whilst firearms are still carried by the police only on specific occasions subject to strict control, it has been necessary to supply police forces with modern weaponry and train thousands of police officers in how to use firearms. We do not wish to see the day when Britain's police will have to be armed all the time, yet the experience of recent years, and the absence of a deterrent for the

armed criminal and terrorist, puts the issue in doubt.

The Police Federation believes that the time has come for Parliament to put the protection of the citizen before consideration for the criminal. It is probable that the question of capital punishment will again be considered by Parliament during the Committee Stage of the Criminal Justice Bill. We know that Members of Parliament will insist upon their right to make their own decision, but we urge all citizens who share our view that the time has come to restore capital punishment for murder, to make their representatives in Parliament aware of their opinion.

James Jardine
Chairman

Police Federation
15/17 Langley Road
Surrey, Surrey
01-399 2224

I support the restoration of capital punishment for murder.

Name

Address

If you agree; TELL YOUR M.P.

SEND THIS MESSAGE TO
THE POLICE FEDERATION

Nicaragua state of emergency blamed on US

Managua, March 16. — (Moshin Ali writes). Mexico has already drawn on the American suggestion in making its own recent proposals for a settlement of the Central American crisis, according to Mr Haig.

He said he had discussed his specific proposals with Secretary of State Alexander Haig in New York on Sunday and indicated that they could be the basis for a settlement with Nicaragua.

Washington accuses Nicaragua of helping, with Cuban and Soviet aid, the guerrillas fighting in El Salvador against the American-backed Government of President Jose Napoleon Duarte.

Yesterday, Mr Haig made public details of the American proposals, which were put to Nicaragua in August last, but were not accepted.

The five points of the American proposals are:

1. An offer of a bilateral non-aggression commitment through "mutual high level reassurance" of the Rio treaty engagements.
2. The 1947 inter-American Rio treaty of reciprocal assistance was signed by all countries of the hemisphere including Nicaragua, Ecuador and Canada. The signatories undertook not to use force on the American continent without unanimous consent.
3. A political commitment by Washington, which would be binding on the United States, to prevent certain anti-government activities by Nicaraguan exiles in the United States.
4. A regional undertaking not to import heavy offensive weapons and to reduce the state of emergency had been motivated by the Nicaraguan Government's increasing concern over the "interventionist" American policies in Central America.
5. Nicaraguans should get out of El Salvador. They should wind up their command and control the logistics, including weapons, ammunition and training camps.

Reuters and AFP.

Washington, Mr Alexander Haig, Secretary of State, has discussed with Senator Jorge Castaneda his Mexican counterpart. A five-point American plan for settling problems with Nicaragua on El Salvador.

Leading article, page 9

Chile bars Nobel peace activist

Santiago, March 15. — coalition of guerrilla groups, said General Guevara had been imposed on the people after a farcical election. He would represent only a continuation of General Pinochet's administration.

Guerrilla sources said the statement, which also announced the start of a battle to defeat American intervention, was issued simultaneously in Guatemala City.

San Salvador: Guerrillas who attacked several targets in and around San Salvador were repulsed after heavy fighting, a military spokesman said.

He said at least 12 guerrillas were killed in fighting in the northern suburb of Mejicanos and the nearby town of Cuscatancingo. Military casualties were officially reported, but witnesses said they saw two soldiers killed.

During the fighting in Cuscatancingo about 300 children were trapped by gunfire in a primary school. "We covered on the floor for hours until help finally came," a teacher said.

Military sources said yesterday's show of strength by the guerrillas was an attempt to wreck elections scheduled for March 28.

The United States, which is supporting the junta with economic and military aid, has repeatedly accused Cuba and the Soviet Union of helping Nicaragua to support the Salvadoran guerrillas.

The junta sees the constituent assembly elections as a first step in ending two years of civil war in which more than 30,000 people have been killed.

Members of the Chilean Peace and Justice Service who were awaiting the 1980 Nobel laureate with priests and other human rights groups said Señor Esquivel left for Buenos Aires four hours after landing.

The Ministry of the Interior said in a statement that he was refused entry because on previous visits to Chile he had taken part in events and made remarks which constituted an intervention in the country's internal affairs.

Two Peace and Justice members jailed last November on charges of belonging to an illegal left-wing Christian party.

Señor Esquivel has been active in his home country in calling on the military government to account for the thousands of people who disappeared in the drive against guerrillas in the 1970s.

He has also attacked human rights abuses in other Latin American countries. Last year an aircraft taking him to Paraguay was refused permission to land and had to return to Argentina.

□ Mexico City: Guerrillas in Guatemala said last night that they were starting a battle to oust the president-elect, General Anibal Guevara, in a statement by the Guatemalan National Revolutionary Unity, a recently-formed

Guilty von Bulow smiles to crowds

From Adam Edwards, Newport, Rhode Island, March 16

The demeanor of Claus von Bulow, smiling to the cheering crowd outside the red brick court gave no clue that 10 minutes earlier he had just been found guilty on two counts of trying to murder his wife.

Yet, unless an appeal succeeds, he will exchange the luxury of his Newport mansion and fine Fifth Avenue Manhattan apartment for the adult correctional institute at Cranston, a fortified gothic monstrosity 30 miles from this pretty Atlantic seaport.

"It is the difference between Heaven and Hell," Mr Jim O'Brien, a former Rhode Island assistant attorney general said. "There are rats running around. It is damp and bitterly cold in the winter and hellishly hot in the summer. It has been ruled unfit for human habitation."

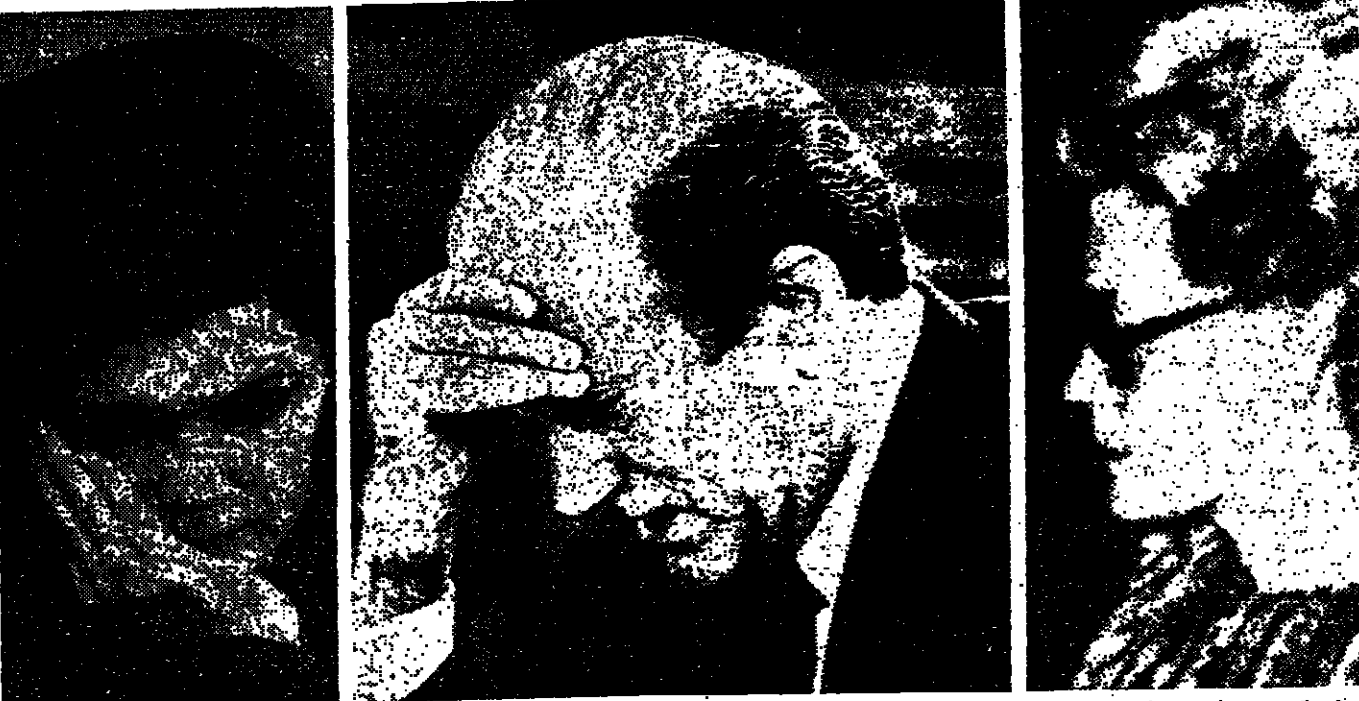
Claus von Bulow, a former London barrister and aide to John Paul Getty, the late oil millionaire, was on trial on two charges of assault with intent to commit murder of his extremely wealthy wife by poisoning her with insulin injections on December 27, 1979, and December 21, 1980.

His wife Martha "Sunny" von Bulow, has been in an irreversible coma in a foetal position for almost 15 months. Her room and medical care in a New York hospital cost more than \$500 a day. The fresh flowers that she loved are changed regularly as there is the faintest chance she can see and smell.

The cast of characters assembled 65 days ago in a bitterly cold Newport, a town circled by eclectic collection of European Mansions, including Clarendon Court the von Bulows' holiday home. The evidence was complicated. The prosecution had to prove beyond a reasonable doubt how von Bulow tried to kill his wife, and his motive for doing so.

The prosecution spent four weeks building its case on circumstantial evidence based on a black washbag containing a hypodermic syringe with traces of insulin found in a cupboard in von Bulow's private study.

That discovery was 13 months after the first suspicions were raised about the urbane von Bulow and his charming English manner. Miss Maria Schrollhammer, Mrs von Bulow's devoted maid for 23 years, could not believe that on December 27,



Central figures: Mrs Alexandra Isles, Claus von Bulow's former lover; von Bulow, found guilty of murdering Mrs Martha "Sunny" von Bulow, his wife, who now lies in an irreversible coma.

1979, her mistress lay motionless in a coma in her Clarendon Court bedroom and her husband refused to call a doctor for nine hours.

"I thought she would die any second. She was rattling. She would not help me so I picked her up in my arms and I was holding her until the doctor arrived," she said.

His cold indifference was so suspicious that she began to spy on the master of the house. Two months later she discovered a black washbag containing pills and syringes belonging to von Bulow. She made a note of it.

The following year on December 19, 1980, Miss Schrollhammer, who was told by von Bulow to accompany the family to Clarendon Court, saw the black bag again in a canvas bag belonging to the defendant. On that occasion it contained pills, needles and a bottle of insulin. Two days later Mrs von Bulow was found in a coma on a cold marble bathroom floor. She has never recovered.

Miss Schrollhammer had told Prince Alex von Auersperg and his sister Princess Annie-Laurie. Mrs von Bulow's children by her first marriage of her first husband, Prince Alex von Auersperg, and his sister Princess Annie-Laurie. Mrs von Bulow's children by her first marriage of her first husband, Prince Alex von Auersperg, and his sister Princess Annie-Laurie.

containing traces of insulin. There was no sign of the bottle of insulin.

A battery of doctors proved that it was injected insulin that caused Mrs von Bulow's coma. Insulin was poisonous to the heiress because she suffered from hypoglycaemia (low blood sugar).

The motive for this sickening crime was summed up by Mr Stephen Famiglietti, the young prosecutor: "He wanted to live splendidly, lavishly with the woman he loved on the wealth of his wife."

The wealth was a \$14m (£7.75m) inheritance. The woman was a former Mrs. Alexandra Isles, soap opera actress and Manhattan socialite.

In her testimony as a prosecution witness Mrs Isles told the jury that she had given von Bulow an ultimatum nine months before the first murder attempt that she would leave him if he did not divorce his wife within six months.

His counsel tried two lines of defence. The first was that

Mrs von Bulow was not in a insulin coma but that it was self-induced by an overdose of drugs and alcohol. The second line was that, if the coma was caused by insulin, Mrs von Bulow secretly injected herself to lose weight. But, despite the arguments of Mr Herald Price Fahringer, the suave silver haired senior defence lawyer, his strongest witnesses, who implied the American heiress injected herself with insulin and wanted to kill herself, both were discredited as liars.



Suspicious aroused: Prince Alexander von Auersperg, Mrs von Bulow's son; his sister, Mrs Annie-Laurie Kheissel and her husband; and Miss Maria Schrollhammer, the maid who raised the alarm.

Farm price warning by French

From Ian Murray, Brussels, March 16

A clear hint that France was not prepared to allow Britain to hold up farm price increases until an EEC budget compromise was reached came today from Mr Edith Cresson, the French Agricultural Minister.

Mme Cresson was in an uncompromising mood as far as Britain's objections to a 9 per cent increase on farm prices was concerned. In the current meeting of agriculture ministers here she is pressing the case for a 14 per cent increase.

Although she was looking for unanimous agreement, she said, Britain could not be allowed to hold things up forever. If every other country was satisfied there would come a time when Britain could not be allowed to block a settlement.

Mme Cresson, who had just had lunch with Mr Peter Walker, the British Agricultural Minister, said that he was expected to be opposed to everything which Britain did not grow.

Asked what would happen about Britain's contribution to the EEC budget, Mme Cresson said pointedly that there would be no possibility of a repeat performance of what had happened in 1980 when Britain had blocked a farm price increase until it won a satisfactory budget settlement.

Mubarak's visit to Israel is on again

From Christopher Walker, Jerusalem, March 16

With less than six weeks to go until Israel's final withdrawal from Sinai, new efforts were being made today to heal the rift which has developed with Egypt over the recent visit by President Mubarak.

At the same time, a new diplomatic framework has been agreed which will enable Egyptian and Israeli foreign ministers to meet regularly four times a year to discuss current problems after the April 26 Sinai handover. No date for the first meeting has yet been set.

After nearly two hours of talks in Jerusalem between Mr Kamal Hassan Ali confidently assured reporters that the controversial visit by President Mubarak would now take place. But he declined to give a date or to say whether Jerusalem would be included in the itinerary.

For the past few weeks Egypt and Israel have been under heavy American pressure to try to reach a compromise over the visit. The dispute between the two Middle East countries worsened after the Israeli Cabinet refused to issue an invitation for a visit from Mr Mubarak which did not include Jerusalem.

Today Mr Ali spoke of "very friendly and cordial" talks with Mr Begin. The Egyptian minister revealed

that Mr Mubarak's willingness to make his first visit to Israel had been included in a personal message from the Egyptian leader which Mr Ali had handed to Mr Begin. Mr Ali added that Mr Begin had "extended or reextended" the invitation for Mr Mubarak to come to Israel.

Mr Ali was asked by reporters whether Jerusalem would be included in such a visit. "Well, I think this will be discussed later," he replied. He was pressed to say whether that meant that the crucial visit was on or off. "It will be on," he emphasized, saying "the date would be decided later."

Mr Ali also claimed that Egypt and Israel had agreed to give new momentum to the deadlocked talks on Palestinian autonomy but gave no details how this could be achieved.

The agreement about the framework for regular meetings at foreign minister level emerged later during talks between Mr Ali and his Israeli counterpart, Mr Yitzhak Shamir.

More Israeli-Egyptian discussions are expected soon in a further effort to solve outstanding differences over the demarcation of the Sinai border. Israeli sources hinted tonight that the broad outlines of an agreement had begun to take shape during this week's talks.

Carrington sees no Nato crisis

By David Cross

Although there had been differences of approach and emphasis on international problems between the United States and European allies in recent months, there was no crisis in the Western alliance, Lord Carrington, the Foreign Secretary, said last night.

Lord Carrington, who was speaking to the American Chamber of Commerce in London, made it clear that he thought the time had come for the alliance to stop examining its navel. "We should remember that the health of even the strongest patient is not improved by regular exploratory surgery," he said.

It was inevitable that there had been differences, "not just transatlantic ones, but differences reflecting the geographical, political and economic diversity of the alliance," he said. "It would be stranger still if there had not been. A free and equal alliance including the majority of the most powerful economies in the world does not emulate the clockwork chorus of the Warsaw Pact."

"It would be foolish to expect in Nato the total coincidence of views which few of us can achieve even within our own national parliaments and public opinion," Lord Carrington said. "The more nearly the problems we face touch the vital interests of individual members, the harder we shall have to work to harmonize our views and our actions."

And the more we shall need to listen to each other, and to go on doing everything we can to understand another's perspectives and concern. Meanwhile, we must not mistake diversity for divergence, or undervalue the strong partnership we have by comparison with an idyllic and largely mythical past."

□ Mrs Thatcher gave a clear indication yesterday in the Commons that the British Government is not willing to back President Mitterrand's recently-floated proposal that Western Europe should develop a more independent line on defence (George Clark writes).

The Prime Minister was replying to Mr Tom Urwin, Labour MP for Houghton-le-Spring, who asked her to comment on reports that the French Government had raised the question of creating an independent European defence force and M Mitterrand's suggestion that the Western European Union provided a ready-made forum for the development of such a policy.

Mrs Thatcher said: "I think we should be very wary before we have in Europe a scheme which applies only to Europe while at the same time we have Nato. That would not in the end unite the Western world in defending its own interests."

Brezhnev urges union vigilance

From Michael Binyon, Moscow, March 16

President Brezhnev, in his first important speech for over a year, told Soviet trade union delegates meeting in the Kremlin for their five-yearly congress that they should take a tough stand against any infringements of Soviet labour laws.

He said there was still a need for unions in a communist society, and they had to ensure that not only were their 130 million members protected against violations by individuals or official bodies, but that such incidents could not arise. Managers should no longer be able to treat workers with conceit or indifference as some still did.

Echoing widespread official criticism that Soviet trade unions were too passive in an important issue here since the Polish crisis — the Soviet leader attacked their officials for getting tied up in red tape and shutting themselves away in their offices.

"The main thing is for trade union functionaries to spend more time in the midst of people and less time on paper work, to rely more on the union activists, on resourceful and energetic rank-and-file union members," he said.

He referred obliquely to the Polish crisis by saying that the enemies of socialism whom he identified as the bourgeoisie, reformists and revisionists had put their hopes on tearing the unions away from communist parties, and were putting around a theory of trade union neutrality.

But behind this lay attempts to make the unions follow bourgeois policy and betray the working class. He declared that Soviet trade unions worked hand in hand with the party and the state, and the Russians would not allow anyone to shake this unity.

He spoke for an hour, but because of uncertainties over his health, television did not carry his speech live. He was joined on the podium by all members of the Politburo except Mr Andrei Kirilenko whose absence from important state functions in the past two weeks has fuelled speculation that his political position is slipping.

Mr Brezhnev also spoke at length about foreign policy, and about the emergency food programme which is to be discussed at a special party plenum in the next few weeks.

He told the 5,050 delegates and foreign guests that the party was well aware of the difficult food situation and was doing all it could to improve it. He called on the unions to help improve food storage and prevent losses and do all they could to defend the Western world in defending its own interests.

NEWS IN SUMMARY

Tornadoes batter Americans

New York. — Tornadoes ripped across America's great plains in the Middle West, pulverizing buildings and killing at least five people, while rivers in the area sent ice floes through living rooms, driving more than 4,000 people from their homes.

The water was 10ft above flood levels and still rising in the three-river city of Fort Wayne, Indiana, where 3,500 people were evacuated and one killed as thunderstorms and thawing snow threatened to make the flooding as bad as in 1913, when 732 people died across Indiana and Ohio.

Thunderstorms spread across the lower Ohio valley, pelting Cape Girardeau, Missouri, with hail stones the size of golf balls. At least five people were killed at a stilted town in northern Indiana, Ohio and southern Michigan. Three died in Kansas on Monday and another was killed in Oklahoma.

A White House for agents only

Washington. — The Administration plans to build a replica of the White House outside Washington to train Secret Service agents assigned to protect the President.

The Secret Service spokesman, Mr Jim Boyle, said that most agents were assigned during their careers to a stint at the presidential residence or Blair House, the official guest house adjoining the White House. Congress has yet to approve the plan.

Running battle in Brussels

Brussels. — After thousands of Belgian steelworkers fought running street battles in Brussels with police there were dozens of injuries on both sides. Tear gas, water cannon and mounted police were used to disperse the demonstrators, who threw cobblestones and bolts.

The Socialist FGTE union called the demonstration over plans to restructure the steel industry, which is losing £11m a month. The unions believe this will entail the loss of 10,000 jobs in Wallonia, where unemployment is 20 per cent in some places.

2,000 detained in Uganda

Nairobi. — The Ugandan authorities said that more than 2,000 people had been arrested and were being interrogated after a raid in Kampala against "criminal elements", especially supporters of anti-government guerrillas who recently attacked the main Kampala Army barracks.

Mr John Lwululiza-Kirunda, the Interior Minister, said it was "a general exercise regarding suspicious characters". More than 200 of those detained had already been released, including two Opposition MPs.

Mercouri wants Elgin Marbles

Athens. — Miss Melina Mercouri, the Greek Minister of Culture, who wants the return of the British Museum's classical sculptures that Lord Elgin "stole" from the Acropolis 180 years ago (Mario Madsian writes). "They are an integral part of the Acropolis which symbolizes Greece itself," she said.

Yet, curiously enough, she does not feel the same about the Louvre's Venus de Milo which Jacques Lang, the French Minister of Culture, apparently promised to send to Greece on loan. Why the discrimination, she was asked at a press conference. Why not ask for the repatriation of Venus, of the Aegina sculptures from Munich or many other such masterpieces? "We can't take everything back," she said.

Seal spray costs £1,950. Perce, Quebec. — Three members of the Greenpeace conservationist movement were fined 1,500 Canadian dollars (about £650), for spraying green dye on seal pups to destroy the value of their skins as a protest against Canada's annual seal hunt.

They sprayed about 150 seals before they were arrested last Friday on ice floes near the Magdalen Islands in the Gulf of St. Lawrence.

Guatemala: Rich have not yet given up struggle

From Paul Ellman, Guatemala City

Guatemala has yet to generate the political and diplomatic attention that has focused on its neighbour, El Salvador, despite the flurry of interest generated by recent elections.

Politicians in Washington and elsewhere agonized over whether El Salvador is about to become another Vietnam; but Guatemala, in a sense, has become the Cambodia of Central America, a sideshow in terms of direct United States involvement.

Mr Alexander Haig, the American Secretary of State, predicted recently that the conflict in Guatemala could be expected to assume the dimensions of the fighting in El Salvador in a matter of months, if not weeks.

There are stark contrasts between the two countries. The Porches, Mercedes and BMWs that parade down the boulevards of Guatemala City show that the struggle to yet given up the struggle to the extent that they have in San Salvador, barely 30 minutes away by air, where the upper classes have disappeared, returning only occasionally from their refuge in Miami to check on their business interests.



Guevara: The Army stays at the top.

At night Guatemala City loses its surface appearance of sun-splashed normality. Political violence much of it had been chosen by the rest of the ruling Right, has made it too dangerous to risk it. Many of those who have stayed on, despite the growing strength of the guerrillas fighting against the Government, are expected to leave as a result of the decision by the military to retain the

political status quo and have another general, in this case Angel Anibal Guevara Rodriguez, as President of the Republic for the next four years.

"That's it. I'm definitely pulling out," one local businessman said when he heard that the Guatemala Congress had voted on Saturday night to accept the result of the highly contested election and name General Guevara head of state in succession to General Tomoe Lucas Garcia.

Although General Guevara, to the undisguised mirth of many Guatemalans, has said his Government will be "Centre-Left", little is known of what he plans to do with his power, except press ahead with the war against the guerrillas.

One joke doing the rounds here had it that when President Lucas was informed that General Guevara had been chosen by the rest of the military as his successor, he replied: "How can that be? He's more British than I am."

The decision to put another general in charge of the Government showed that the military have turned a deaf ear to pleas from the United States to face up to

the increasing gravity of the event's in Guatemala which, more than any of the other Central American states, is threatened by left-wing insurgents, is seen as the strategic lynchpin of the whole region.

With its population of 7.2 million, Guatemala borders on four other states, including Mexico, the world's fourth largest oil producer. Mexico's oil fields, which lie close to the southern border with Guatemala, are seen in many quarters in Washington as the ultimate target of what is alleged to be a coordinated plan by the Soviet Union and Cuba to subvert the whole of Central America.

Guatemala is much wealthier than the other states said to be threatened by this subversion. El Salvador, Honduras and Nicaragua. It has its own oil deposits, as yet scarcely developed, as well as a wide range of mineral and agricultural riches.

Oil may be the key to the decision of the generals not to relinquish power to civilians. According to highly reliable sources in Guatemala City, when the military leadership learnt that the country's reserves might be

as much as 2,000 million barrels, they quietly went about buying the land under which the oil deposits lay.

The cut-off of United States aid in 1977 by President Carter's Administration after the generals refused to act to improve the human rights situation here left a gap that Guatemala was able to fill by buying weapons from Israel and Argentina. It is estimated that \$89m (about £48m) worth of arms was bought from the two countries between 1979 and 1981.

However, the recession that has struck all Central American countries has left Guatemala almost without foreign exchange reserves at a time when its Government badly needs to reequip its overstretched, though highly efficient armed forces.

Estimates vary of total figures for the four armies operating under the newly formed alliance of Guatemala, El Salvador, Honduras and Nicaragua. The Guerrilla Army of the Poor (EGP) had at least 4,000 armed men in the field. These were said to be backed by another 12,000 men, who operated unarmed.

One of the toughest moulds for the SDP to break

[illegible]

Lech Walesa's fate may be decided today... meanwhile, the Poles wait to see if he will be freed for his daughter's baptism

The christening that threatens Jaruzelski

Swaying like a drunken sailor, held shakily aloft by monks selected for their devotion rather than stature, the Queen of Poland, maker of miracles, arrived some weeks ago in the forecourt of St Anthony's church in Warsaw. "I prayed for the interned," volunteered a middle-aged woman, as a member of the church hierarchy passed, "I prayed for a miracle".

The Queen of Poland, alias the Black Madonna of Czestochowa, is a five-foot high icon darkened with age, of Mary, mother of Jesus, to which wonders of healing, transformation and liberation have been attributed over the past 600 years.

Does Lech Walesa need a miracle? Does Poland need Walesa? These questions have been troubling the Polish people and the Polish government in varying degrees since the declaration of martial law three months ago.

Over the past week, pressure, above all from Archbishop Jozef Glemp, the primate, has been stepped up on the wavering martial law authorities. Walesa should be released, said Archbishop Glemp in his weekend sermon, and should play a key part in national reconstruction.

Privately, the Liberal Marxists in the Politburo, the Government and Military Council have long acknowledged this to be the case, but the terms for his release have never been realistic. Walesa should broadcast to the nation, call for conciliation and acceptance of martial law; he should give his approval to a new union structure that would be based on industry, trades and craft and not regions, and he should allow his prestige to be harnessed to a new sober, hard-working Poland.

Walesa listened to these entreaties usually conveyed by Mr Stanislaw Ciosek, the Trade Union Minister, and rejected them. He had discovered the power of silence. Both Walesa and the Catholic Church, which has been gently steering him over the past months of internment, recognize that they have a formidable edge over General Wojciech



An anguished Walesa — one of the last pictures taken of the Solidarity leader before his internment, and his wife Danusia with the daughter whose christening is posing problems for the government.

Jaruzelski: they have time, he does not. The first reaction to Mr Walesa's silence was to try to factor him out of the equation. The official press accused him of cooperating with anti-socialist forces. More and more government officials, such as Mr Ciosek and Mr Mieczyslaw Rakowski, the deputy premier, let slip in conversation that they thought Walesa a rather pathetic figure, a burnt-out case. Not many people believed this and saw such criticism for what it really was: a way of warning Walesa that there were forces in the Communist Party who thought him dispensable. Mr Walesa's vanity and sense of mission, they calculated, would do the rest.

In the event, the Government has miscalculated, probably because the combination of Solidarity and

the Church is almost unbeatable. Three elements have changed over the past fortnight. General Jaruzelski has been to Moscow and can claim that the Kremlin has given tacit support for his policies. That makes concessions easier, above all defending them against the criticism of the dogmatic ideologues in the party. Archbishop Glemp has returned from the Vatican, a tougher more forthright figure, unambiguous now in his support of Walesa. Finally, there has been a change of mood in the underground. Having passed through successive stages of anger and bitterness, having worked out methods of passive opposition that indicate a degree of bargaining power, the underground Solidarity activists feel strong enough to talk to the Government.

A meeting of what re-

nains of the National Commission of Solidarity was convened just over two weeks ago and settled on three demands: the start of talks with the Government; the end to internment; and the acceptance of a regional basis to the trade union movement. Solidarity was based on regions, not industries, and derived its main political muscle from the fact, enabling it, for example, to cripple the capital and exert pressure on local government. Lawyers have now been authorized to act as go-betweens in an effort to secure an agenda for discussions with the Government. Some reports suggest a general willingness to go some way towards discussing the Solidarity demands.

Meanwhile, in parallel with these talks about talks, negotiations are under way on the fate of Mr Walesa. Informed sources say that

he has been meeting senior government officials yesterday and today to discuss his future. The immediate issue is a seemingly trivial one, but of great symbolic importance for it underlines the Church's alignment with the Solidarity leader: whether and on what conditions, Walesa should be allowed to attend the christening of his seven-week-old baby, Maria Viktorja.

The new proposed date is this Sunday, but the Government is wary of making a firm commitment. Walesa is a dangerous property: his release, even for a day, in Gdansk could trigger off a popular uprising in the already volatile port. Three options thus present themselves: the christening could be changed at the last minute from Gdansk to Warsaw and be strictly private; it could be held in Gdansk under heavy guard

(which could be even more provocative than the alternative); or the ceremony could be held unhindered, in the next few days, some time before the scheduled date.

Whatever the outcome, it is clear that Mr Walesa has shifted from a position of relative obscurity to centre stage. The Government has acknowledged his importance, but whether it will be able to deliver the necessary goods remains to be seen.

There are many unanswered questions too on the Solidarity side. How representative, for example, are the remnants of the Solidarity Commission that have authorized these contacts with the Government? Can their relative moderation be reconciled with the hardened radicalism of the interned Solidarity leadership? How are the non-interned Solidarity leaders to communicate and co-ordinate with those who are jailed?

It would be wrong too to assume that the underground is a monolithic structure. There are deep divisions still between Mr Zbigniew Bujak of Warsaw for example, and fugitive Solidarity men from Silesia; and, more importantly, there is a large number of young people who want a more violent confrontation with the Government, and see no scope for talks at all.

The real division in Solidarity at present is between the students and university-based activists who want to challenge the fundamentals of martial law and the factory-based underground workers who want patiently to reconstruct the union on the best possible terms. There is little communication between these wings and it may well need the unifying charismatic figure of Lech Walesa to bring the factions together into a coherent force.

Lech Walesa, meanwhile, shoots bottles with an airgun in the back garden of the palace where he is held prisoner, smokes incessantly, lets his beard grow and waits for the Black Madonna of Czestochowa to create a miracle of common sense.

Roger Boyes

Justice at last for the victims

A quiet revolution in penal thought, spreading in from the United States, has brought about an almost unnoticed change in a concept of British justice which goes back to the twelfth century. Hidden inside the new Criminal Justice Bill, now going through Parliament, is the unmistakable principle that a court's duty in a wide range of cases is to be to the victims rather than to the state.

The Bill breaks with precedent in allowing courts to make a compensation order instead of dealing with an offender in any other way. Previously, the order could be made only in addition to another form of punishment. The Bill also says that a court should give precedence to the compensation order in a case where it would be appropriate to impose a fine as well, but where the offender has not enough money to pay both.

This important change modifies the notion — developed by Henry II — that injury between people is not simply an offence by one against the other, the victim, but a breach of the King's peace and a threat to the whole of society. Over the century the Crown has taken

more and more responsibility for dealing with offenders on behalf of the victim and punishing them. The raising of the victim's status in the new Bill is a sign of increasing concern about the way he or she has felt largely excluded from the criminal justice system.

As Mr John Harding, deputy chief probation officer in the West Midlands, says: "Nobody consults the victim unless it is the prosecution dealing with him as a witness. His conflict with the offender is taken away from him. He is left with frustration, anger and impatience with the offender, the criminal justice system and its agencies."

In Britain, increasing numbers of victims of crime are being offered help and advice by volunteers in the fast growing National Association of Victims Support Schemes, whose annual meeting is to be addressed by Mr William Whitelaw, Home Secretary, later this month. The association's aim is defined by its national officer, Miss Helen Reeves, as: "to minimize the bad effects

of crime and to help people through the uninvited crisis as fully and quickly as possible."

In two places — Exeter and South Shields — offenders may help victims. In Exeter the provision of opportunities for reparation is one of the ways in which juvenile offenders are handled in a youth support scheme run by a team from police, social work and probation.

One keen gardener I met was helping to keep out of trouble an eight-year-old boy who broke two panes in his glass-house. The boy did work in the glass-house (to teach him not to throw stones) and was thereby encouraged to develop an interest in gardening.

In South Shields, offenders and others aged between 17 and 25 attending a day centre workshop have under supervision been repairing doors and windows broken by burglars or vandals. Almost all the offenders have themselves committed burglary or vandalism.

The Criminal Injuries Compensation Board was

brought into being to provide money for victims, but does not do so for property stolen or destroyed. And though the courts can order compensation, that happens only when offenders are convicted. Insurance schemes also cover people able to afford them.

One big hole in the present system is lack of compensation for victims who are poor and suffer loss of goods or money from crimes when the offender is not convicted. Another defect is that victims who do receive compensation as the result of a court order may get money in instalments which serve to remind them constantly of the trauma they prefer to forget. And, the money not being in a lump sum, they are unable to purchase straight away replacements for the objects taken.

Mr Martin Wasik, a lecturer in law, says that everyone accepts the inadequacy of the old system where the victim's only remedy was to sue the offender in the civil courts for damages. Again, that could be done only if the

offender was convicted and had the means to pay. But "criminal courts which have had expanded powers to make awards for compensation tend to confine themselves to straightforward cases and seldom make awards when physical injuries have been incurred."

He urges the setting up of a central fund, administered by an expanded Criminal Injuries Compensation Board to cover all cases of compensation for victims of crime. The offender would be ordered to pay a contribution

Mr Harding, whose book *Victims and Offenders: Needs and Responsibilities* is to be published by the Bedford Square Press, favours the Criminal Injuries Compensation Board taking on the job of compensating people who have suffered financial loss.

He feels, however, that "we should extend the protective net to those least able to help themselves in this area. People tend to victimize others most like themselves: people who are unemployed, poor and living in reduced circumstances."

Mr Wasik's case has been put with others to a high-powered working party on "forfeiture" (by offenders), sponsored by the Howard League for Penal Reform and chaired by Mr Justice Hodgson. The working party, which has yet to produce its report, seems to be coming to the view that community service is already providing opportunity for reparation by the offender for his offence.

Restitution may take the form of money paid to the victim of a particular crime by the person who committed it, or restitution may take the form of community service.

The most revolutionary approach is mediation or arbitration between the offender and his victim, which may result in reparation.

One recent example was the award of agreed damages of £6,722 to the mother of the youngest victim of Peter Sutcliffe, the Yorkshire Ripper. Mrs Irene MacDonald, mother of Joyce, had to wait until Sutcliffe's main asset, his house in Bradford, valued at £35,000, is sold, before she will get any money.

Peter Evans

Home Affairs Correspondent

Henry Fairlie

Why Reagan's friends should be critics too

Washington
A very important conference of both powerful and influential Republican leaders took place last weekend on the eastern shore of Maryland which, give or take a traffic jam or two, is anything between two and four hours' drive from downtown Washington; and any person who considers himself conservative, or even helpful to the conservatives, should consider the work of that conference very closely.

Before describing it, a general comment is necessary. I have spent most of my life watching conservative and right-wing parties, on both sides of the Atlantic, blow their chances to demonstrate that they can govern efficiently and decently in a democracy. Again and again, they are given substantial majorities; again and again, they grow only more confused in office. They leave little mark on our society of hope or achievement or promise.

The reason seems to me to be clear, and it is wonderful plain in America now. The conservatives or the right never develop an intellectual opposition within their own ranks. It is the habit of left-wing or liberal intellectuals, when their party is in power, or even reaching for power, to move into a position of harsh intellectual criticism. They need their party to remind them that ideas count. There is every evidence that rulers who were left of centre, from Attlee to Roosevelt, however contemptuous they may have been of the left-wing intellectuals, still wanted their needling.

It is the perpetual weakness of conservative and right-wing governments in this century that their own intellectuals and journalists seem incapable of sustaining even a feeble criticism. The result is that they are a relentless barrage with their heavy artillery, so that the conservative governments are really left with no nourishment from their very own people, who should be reminding them why they are there.

This was the difference between a Beaverbrook who, even to the extent of employing brilliant left-wing journalists like the young Michael Foot, needed the party which he supported, and a Rothermere who made his newspapers so dully loyal to the ruling Conservatives that he not only made his newspapers dull, but made the Conservative politicians seem much duller than they in fact were.

Conservative and right-wing causes were never dull in an A. J. P. Taylor to keep the politicians up to scratch. Often deeply involved in politics himself, he kept his newspapers wonderfully independent. He understood that politicians — even the politicians he supported — needed a voice from outside politics. His newspapers were conservative, but they were never party newspapers.

So we may return to the conference of Republican leaders on the eastern shore last weekend. From the very beginning in 1978, when it was founded by Senator Bob Packwood of Oregon, it has been called the Tidewater conference. Influential elected Republicans — whether elected to the United States Congress or the state legislatures — were and are invited to attend. Only 50 went the first time, now everyone would like to go.

From this annual conference as much as from anywhere came the belief that the Republicans had replaced the Democrats as the party of ideas. These were serious and strong

politicians trying to give their party a sense that it not only could afford but desperately needed the energy of ideas which are discussed in the uninhibited way that can come only from the belief that ideas must be allowed their own independence. So the Tidewater conference met last weekend after its founder, Senator Packwood, had only recently denounced President Reagan and his Administration. His words were loud and clear: "I really think the President has an idealized concept of America. The Republican Party has just about written off those women who work for wages. We are losing them in droves. That was a sterling beginning, but there was more to come."

He went on: "You cannot write them off, and the blacks off, and the Hispanics off, and the Jews off, and assume you're going to build a party of white Anglo-Saxon males over 40. There aren't enough of us left." It was that last sentence which cracked across the Republican landscape like a thunderbolt. From Oregon to the white Anglo-Saxon state as there is — the truth: "There aren't enough of us left" — not even in Oregon.

It is true that Senator Packwood then apologized for the strength of his criticism. It does not matter. The apology only heightened the criticism. It is true that on Saturday, the first day of this year's conference, he tried formally to still the criticism of the Administration. But he had let the cat out of the bag, and he had known he was doing it, and there was no way to put it back.

On the Saturday, the conference was bland. A series of resolutions was passed that supported the Administration. Then on Sunday, the cat was let out. In an extraordinary debate on the failure of Mr Reagan and his Administration to give attention to the specific problems of black people, Republicans such as Representative Mickey Edwards for Oklahoma and Representative Carol A. Campbell from South Carolina spoke their minds.

They said that in neglecting the blacks the Republicans were making a mistake which was "exploited by the other side." Oklahoma and South Carolina are hardly liberal states — they are South-western and Southern — yet from them came the strong protest.

And as Sunday progressed, the explosion could not be contained. Senator Mark Andrews of North Dakota expressed his disquiet at the effort to conceal the differences which these Republicans have with their President and his Administration. In repudiating the blandness of the first day, he said: "The salutation to the Emperor went out, I think, several hundred years ago". North Dakota is hardly a liberal state.

He went on to say that he thought that Mr Reagan would have been helped by the kind of criticism which the conference had tried to avoid: "the abrasion and the sandpaper to come up with the kind of position that I think helps". They are important words from a serious politician, "the abrasion and the sandpaper". Those are what an independent conservative newspaper should be supplying — here or at home.

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The article on Monday on Central America should have referred to United States military intervention in the Dominican Republic, not Dominica, in 1965.

The model for a Coudsdon man

Donald Sinden returns to Parkinson tonight to complete the puffing of his book *A Touch of the Memoirs*, which was rudely interrupted by Jimmy Savile on Saturday. The actor will face further mild embarrassment when he attends the next meeting of the Arts Council, to which he was recently appointed.

The new chairman of the council is Sir William Rees-Mogg, one of the former editors of *The Times*. It was Sir William's features which Sinden adopted, to remarkable look-alike effect, as model for his make-up when appearing in *Shut your eyes and think of England*.

Sinden could try telling the new chairman that imitation is the sincerest form of flattery, but it is awkward that the character he was supposed to be portraying on the stage was an insignificant accountant from Coudsdon.

Not on form

Angela Slingsby, the young designer whose work was singled out for praise in Sir Derek Rayner's report on government forms, has been turned down for a job with Her Majesty's Stationery Office.

Three months ago she applied for a position at HMSO's Holborn design studio. She showed the interviewers IR 33, *Income tax and school leavers*, the form which she designed while still a



Sir William Rees-Mogg and the Sinden version

student and which Rayner described as "particularly good". Yet she was not offered the post, and for the time being will continue to work as a book designer with J. M. Dent, the publishers.

Strong medicine

World Medicine continues to wreak its revenge. The *IPC* magazine is to be addressed by Mr editor and all the regular writers has just cost one of the defecting contributors his job.

Dr. Carl Sabbagh, director of the MSD Foundation, a medical charity funded by Merck Sharp & Dohme, wrote in his column in *World Medicine* about Menachem Begin's role in the massacre of 254 Palestinians at Deir Yassin in 1948. Jewish doctors objected, 27 terminated their subscriptions and one drug company stopped advertising. Merck Sharp & Dohme also found its sales representatives turned away by some Jewish doctors, and pressure mounted for Sabbagh's replacement. Sabbagh finally resigned last week after being reprimanded by the MSD

THE TIMES DIARY



Guinness is reviving the tradition of Wild West saloons in which drinkers were liable to be shot on sight. Yesterday the stout-makers launched a photographic competition in which publicans will be invited to take snapshots of customers who order their product, so they can choose the picture which "best reflects the character of the draught Guinness drinker."

To judge by the company's past advertising, the prize is likely to go to the first landlord who can find a girder-toting zoo keeper with a menagerie of ostriches, sea-lions and pet toucans.

Foundation's board of governors for "significant error of judgment."

Sir Geoffrey Howe tells PHS of some unexpected flak he received over the Budget. After seeing the pre-budget photographs of Sir Geoffrey relaxing with his wife, Elspeth, and terrier, Budget, an angry constituent wrote to complain how dare he let that Shirley Williams play with his dog.

Supporting role
There were mixed jokes on the menu at the Democratic Party national committee's first fundraising dinner held outside the United States, at the Dorchester Hotel on Monday night.

There were some old — such as condemnation of the Reagan china policy (new and expensive crockery for the White House that is); some new — the pious hope that there might be discovered, for President Reagan's sake, "one God-fearing Nicaraguan who will tell the truth"; and some unpopular, like former Senator Frank Church's ill-advised comparison of his party's financial position to a woman with an 84-inch bust: it could stand, but only with assistance.

It was not until 1980 that a widow of the dead told her local newspaper her husband had been awarded a Croix de Guerre which was never received. Inquiries began but it took two years to trace 11 of the medal recipients or their next of kin. The battery commander, Major Roger Croxson, only traced the Croix de Guerre when the brother of Lance-Bombardier V. C. Buckland, who died in the action, read a story about the forgotten medal in *Coin and Medal News*.

Bath buns OK

Lord Longford has been encouraged to indulge his fancy for bath buns by slender diet bore Judy Mazel, inventor of the Beverly Hills diet. Mazel, photographed feeding her publisher grapes, assured him he had no need to diet. The anti-pornography peer said he was used to such compliments from attractive young women. Bath buns buns, Longford said his other weakness was chocolate. Mazel, by the way, was accompanied by her American agent, a cuddly man called Shelley Berger.

Marital break-up

Lady Lorna Howard, Stanley Baldwin's daughter, is concerned by Labour opposition to a statue of her father in the Commons and tells me this story to show the trust Baldwin shared with the workers. An embarrassed newlywed employee came to Baldwin and told him he had broken the bridal bed. Baldwin said it could be repaired free at the family

ironworks, but the man feared it would make him the laughing stock of all his mates.

So the broken bed was brought to the back door of Baldwin's house at night, wheeled through the hall the following morning and taken across the road for repair as if it were Baldwin's own.

Secret weapon

A right-wing pressure group within the Young Conservatives is demanding the resignation of the new Y.C. chairman, Philip Pedley. They accuse him of treachery because in 1975 he wrote a letter to the *Daily Telegraph* accusing Margaret Thatcher of lacking loyalty. He was then denounced by his district association chairman who said the letter was "unauthorised, unsupported and deplored". The paper on which all this is explained, we carries the motto: "Loyalty is our secret weapon."

A bit behind

Belgium is half way through its presidency of the EEC council of environment ministers, and says the European Environment Bureau based in Brussels, could do better. In November the Belgian Government was hauled before the European Court of Justice for illegal delays in applying six Community directives connected with the environment. The court has yet to implement 25 international conventions in the field, and there are another 15 EEC directives on which the Belgians are accused of undue

Royal redoubt

The existence of a second royal palace in East Anglia has been confirmed, though the Queen is not likely to find the new discovery as convenient as Sandringham. It is on a factory estate at Galloway Hill, on the outskirts of Thetford, and as English royal palaces go is rather modest. The Iron Age round huts inside three concentric rectangular enclosures.

The palace belonged to Boudicca, the ancient Britons' heroine. It is older than Windsor and the Tower, and draughtier than any, having been built in the middle of the first century AD when Prasutagus, husband of Boudicca, was established as king of the Iceni. The circularity of the houses indicates that the palace was British, not Roman, and the complexity and detail of the defences prove its importance. The find is described in the new issue of *Current Archaeology*. The death of Prasutagus in AD 60 and the invading continental Romans absorbed the client kingdom of the Iceni touched off Boudicca's revolt. If Cogidubnus, the other client king down at Fishbourne, had not persisted in playing the quixotic, we might have swept the Romans into the sea.

I notice that the board of British Airways, who have been feeling the draught of the current meeting to discuss the Price Waterhouse report on the airline's financial management at Heathrow's Penta Hotel — in the Hurricane Room.

Mr Harold



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

WASHINGTON'S NEW THOUGHTS

Recent statements by President Reagan and Mr Haig make it clear that new thinking is under way in Washington about the deteriorating situation in Central America. The offer of mediation by President López Portillo of Mexico, which was coolly received when it was first made last month, and was totally ignored by Mr Reagan in his speech on aid for the Caribbean, is now being given a respectful hearing. Mr Haig has had two meetings with Señor Castañeda, the Mexican Foreign Minister, and has emerged talking of proposals for a political settlement. For the time being at least, talk of possible military intervention by the United States has been dropped, and emphasis is being laid on what can be achieved through negotiations.

Just what form negotiations might take is still not clear, nor who they might be conducted with. Whether the guerrillas in El Salvador, the leftist government in Nicaragua, the Cubans, or even the Russians. But the choice of approach, if it is maintained, is much to be welcomed. It offers the possibility of putting an end to the appalling bloodshed and suffering in the region, and of bringing about a settlement which, if not exactly what Washington would have chosen, might at least be tolerable. Specifically, it should be able to prevent the emergence of a group of hostile regimes in Central America, patterned of Fidel Castro's Cuba.

When it came into office last year, the Reagan administration inherited a situation which was already going downhill. The overthrow of the Somoza dynasty in Nicaragua, long a dependable Ameri-

can client, had caused shock waves throughout Central America, and there were understandable fears that the emergence of a left-wing regime there, headed by the Sandinistas, might be followed by similar upheavals elsewhere. There were already strong guerrilla movements in El Salvador and, increasingly, in Guatemala. Even Honduras, though calmer than the others, seemed threatened. There were fears that a domino effect, beginning in Central America, might extend north into Mexico, and south to the Panama Canal. So it was not surprising that, like the Carter administration, the new one should try to draw the line in El Salvador. The difference was that they decided to turn up the rhetoric, presenting El Salvador as a key point of east-west confrontation, and instead of trying to establish a working relationship with left-wing Nicaragua, they cut off aid and treated it as a pariah.

The policy has not worked, however, and the re-thinking now under way reflects that. It is true that elections have been held in Honduras and a civilian president elected. In Costa Rica, too, a country with a well established democratic system, there have recently been elections and a peaceful handing over of power. But in El Salvador it has become increasingly clear that the regime is barely able to hold its own against the guerrillas without outside help, and that it has little chance of eliminating them altogether. At the same time, the moderates in the government, headed by President Duarte, have been unable to control the excesses committed by the armed forces. It

has become evident that nothing will be solved by the elections to be held later this month. It is even possible that things will be made worse, if the rightists who regard Señor Duarte as little better than a communist himself do well.

Perhaps even more critically, the administration has been unable to persuade American public opinion that it was on the right course. The parallels with Vietnam have been uncomfortably close, and there has been a strong wave of opposition to the idea of committing American combat troops. In Congress there has been growing support for a policy of negotiation along the lines proposed by President López Portillo.

The virtue of the Mexican proposals is that they do not simply deal with the crisis in El Salvador, but aim for a settlement that will include the Caribbean region as a whole. In the Mexican view there should not just be talks between the two sides in El Salvador, but negotiations between Washington and Nicaragua and between Washington and Cuba. It is too early to say how far the Americans will be prepared to go along those lines, but there is clearly a great deal to be said for the Mexican approach. It would require Washington to drop its reservations about having dealings with leftist regimes like Cuba and Nicaragua. It would have to accept the existence of the Sandinista regime, and possibly something similar in El Salvador. But by adopting a more forthcoming approach, it would be able to ensure a more constructive relationship, instead of driving these countries into the arms of the Russians.

DABBLING IN STRUCTURALISM

Whenever relations between nationalized industries and governments become strained, ministers reach for proposals for institutional reform. Over the last 10 years there have been more than half-a-dozen white papers recommending proper institutional framework for stabilizing relations between industries and their sponsoring departments and laying down a framework of financial targets.

Five years ago the problem was handed over to the National Economic Development Office to produce a lengthy report suggesting a radical upheaval in the structure of nationalized industry boards. Last year this government handed the problem to the Think Tank whose conclusions, much watered down by the process of internal Whitehall consultation, have now been thrown into public debate by Mr Patrick Jenkin, the Industry Secretary. The nationalized industries are to be exposed to the freer air of the world of private industry by the appointment of more non-executive board members. Their structure is to be tightened with smaller boards and more decentralization. Their financial control is to be improved by the establishment of special units recruited partly from outside in Whitehall. Political control has already been strengthened by the formation of a special Cabinet sub-committee.

The proposals fall far short of the original suggestions by

the Think Tank in a report, still shamefully unpublished, which sought a majority of non-executives on state boards, special auditing units in each sponsoring department, and the formal tabling of political as well as financial objectives for each industry. But the Government's intention is clear enough. Indeed it has been the intention of every reform of the kind over the last thirty years: somehow to regularize the relationship between nationalized industries and government in a way that imposes on industries a discipline for efficiency and Ministers a discipline for intervention.

The drawback is that political intervention and economic efficiency are fundamentally incompatible and no amount of tinkering with structures can make them compatible. Each government starts off by saying it wants an arms-length relationship with its charges but then intervenes on pay, wages or prices as events overwhelm it. Each industry says it wants direction and a framework of targets but is quick to blame government rather than itself when protecting its own interests.

Mr Jenkin's proposals are no more than a gesture in this cycle of disdain and obsession. In so far as they do represent any trend it is towards rejecting arms-length arrangements in favour of institutionalized interference, both financial and political. But they do not go very far and for sound reasons: it will

certainly help having more commercial expertise in Whitehall to check the industries' books, but constant supervision by parallel units would only duplicate effort and make management in the corporations impossible — the reverse of encouraging efficiency. Few businessmen would want to work for such a board and no chairman would tolerate it, and the nationalized industries badly need good top management. More non-executive directors on the boards might also be beneficial. Indeed they could help a great many private corporations as well. But to give them the majority on the board would encourage rather than discourage the tendency of state executives to act independently. The board would have the responsibility but the management beneath would have all the knowledge.

There is no other course than to tackle each industry on its own ground. For some public corporations, such as British Steel and British Leyland, the best solution at present seems to be to appoint the best possible chief executive, negotiate financial targets and let him get on with it. In other cases, British Airways for example, denationalization may be the only avenue. In others, such as British Gas, radical restructuring and decentralization may be the course indicated. Playing with board membership and establishing new auditing units is not a substitute for the empiricism that is required.

BY-ELECTION BLOOMS

If you cannot manage a riot, have a by-election: Liverpool, which had a very nasty riot indeed, was awarded £10 million and 4,000 jobs for the development of the Garden of Britain, 1984, on a two-mile stretch of derelict dockland: Glasgow, which to the surprise of some did not have a riot, but now has a by-election, was this week awarded a National Industrial Exhibition Centre on another derelict dock on the edge of the constituency of Hillhead. Some £30 million is to be spent, most of it by the Government and public agencies. Initial reaction to the announcement was that it may be a clincher.

Hillhead is a very important by-election, not because the Government's fate or prospects in any way depend upon it, but because the fate of Mr Roy Jenkins and the prospects of the new political alliance which he aspires to lead do to some extent depend upon it. Much once depended also on the by-election in Hull in January 1966: it was the first testing of the water for the general plunge that came two months later and confirmed Mr Harold Wilson's

government in office. It was in the course of that by-election campaign that the Minister of Transport, Mrs Barbara Castle, gave provisional approval for the Humber bridge. It was opened last summer, fifteen years and almost £100 million later, a marvel of civil engineering, a thing of beauty when seen from far enough away, but woefully deficient in traffic and revenue, a vast monument to the occasional importance of by-elections.

No one would suggest that the exhibition centre plan was dreamed up for the occasion, just pulled out for the occasion. It has been in gestation for a respectable period of time, chewed over by consultants and advanced by the Scottish Development Agency. So it was with the Humber bridge. The idea was a favourite with regional planners of the day, Hull had promoted a private Bill, there was a board in waiting. But a political jerk is sometimes required to get these great projects off the drawing board and on the way to the receiver. Since the merits of the Glasgow dock reclamation scheme have not yet received

detailed study in this office, we are in a position to wish it a better return on its investment than the bridge is yielding.

In the matter of tailored political promises there is much to be learnt from the Irish and in particular the new Prime Minister Mr Charles Haughey or "Gregory's Boy". When office was in the balance earlier this month after the inconclusive election both the main party leaders paid court to Mr Tony Gregory the independent member for Dublin Central, whose single vote in the Dail might be crucial. Mr Haughey put his signature to a long and detailed recital of public and other good works in the city of Dublin, countersigned by the general secretary of Ireland's largest trade union, and costed at 80 million Irish pounds, equivalent to a tenth of the planned budget deficit. He got Mr Gregory's vote, but did not need it. Beside such yawning political frankness, the Secretary of State for Scotland's inability to go further than that the Prime Minister is showing a warm interest in saving the Invergordon smelter sounds distinctly coy.

US changes on seabed rights

From Dr Barry Buzan and others

Sir, The United States is currently seeking British support for a radical revision of the deep seabed mining provisions at the United Nations Conference on the Law of the Sea. We urge that the Government resist this initiative. The diplomatic record of the United States on this issue is disgraceful.

In the spring of 1981, the new American Administration unilaterally withdrew from the negotiations to review its position. This action was taken at a point where 13 years of talks had all but succeeded in producing a massive package deal on a new law of the sea.

The American Government now declares itself ready to rejoin the negotiations, but will only support the treaty provided that six major points of revision on the deep seabed mining provisions are met in full. This ultimatum is not only distasteful in form, but unfair and politically disruptive in substance.

In essence, the Americans are claiming virtually unrestricted access to deep seabed mineral resources for themselves and a right of veto over the activity and development of the proposed International Seabed Authority. In exchange, they are offering to accept the existing provisions which they participated during the decade following the declaration of the deep seabed as a common heritage of mankind. This rejection endangers not only the future of the whole common heritage idea, but also the larger package of trade-offs in which the seabed issue is merely a part. To demand such a one-sided revision at this late stage in the negotiations simply invites the many others who have dissatisfactions with parts of the draft convention to renege on their claims. The American action thus threatens to destroy one of the largest and most significant international legal instruments ever negotiated.

The draft convention contains much by way of offshore and marginal claims that are of great value to this country. Even more important, it offers an agreed, and therefore stable, international legal regime for the use of the oceans. While we do not deny that some amendments to the deep seabed provisions may be desirable, we do not think that the United Kingdom should be associated with these selfish and shortsighted American demands.

Yours sincerely,
BARRY BUZAN,
A. V. LOWE,
PATRICIA BIRNIE,
ELIZABETH YOUNG,
JOHN EDMONDSON,
A. S. DINGWALL,
As from: University of Warwick, Coventry, March 13.

Arts Council chairman

From the Secretary-General of the Arts Council of Great Britain

Sir, Peter Plowicz (letter, March 5) suggests that it is disturbing that the new Chairman of the Arts Council is also Vice-Chairman of the BBC. I, on the contrary, find it distinctly encouraging, since I have been working to develop closer links between the Arts Council and the broadcasting organisations for some time.

I can see no conflict of interest here but only a meeting of complementary interests, since the BBC and ourselves have the two largest subsidies of the arts in Great Britain, and are both in the business of making the arts more widely accessible.

As I said when Sir William Rees-Mogg was appointed, his past and present experience of the media will be invaluable to the Arts Council.

Yours faithfully,
ROY SHAW, Secretary-General,
Arts Council of Great Britain,
105 Piccadilly, W1,
March 15.

Ecosystems

From Dr A. S. Thomas

Sir, Congratulations on printing a summary of Professor Dunnet's report (March 10). There is an analogy between a natural ecosystem, for the fallacious concept overlooks movement and migration of all types of animals, precluding them from living in a cosy balance with the plants. Man himself is a migrant until cultivated crops facilitated sedentary life.

Artificial ecosystems seem possible. There are reports from America of sealed containers where shrimps and seaweeds live in balance. And in Britain there are the offices in which self-styled ecologists sit, not working in the field, which is true ecology, but reading and regurgitating the ideas of other people.

Yours faithfully,
ARTHUR THOMAS,
Goodings,
Sloe Lane,
Afriston,
East Sussex,
March 10.

Elgar concerto cellist

From Mr K. Shukong Lai

Sir, I would like to point out one small mistake in William Mann's review on the Barbican Centre opening concert (March 4 and 5). He said that we had a Japanese soloist in the Elgar Cello Concerto but in fact the cellist, Yo Yo Ma, was born in France of Chinese parents.

Small though the difference is, it does represent a widespread fallacy in the West to think all the "de-luxe" exports from the East only come from the "Origin of the Sun".

Yours faithfully,
K. SHUKONG LAI,
147 Claremont Road, E7,
March 6.

LETTERS TO THE EDITOR

Underlying issues in the Liverpool protest

From the Reverend T. A. Gardiner

Sir, We are now being told that the sectarian demonstration at Liverpool has made the churches on Merseyside more determined on unity than ever. What a pity! Occumenical endeavour is so wasteful of time and energy, so sapping to the religious imagination. It is irrelevant to our world, unlikely to affect the quality of life for good or ill.

The real religious questions that face us today are as uncomfortable as they are pressing. They are: How can we speak in any meaningful way about God in and to our times? How can we become as aware of his former generosity towards us, as their record of "spirituality" testifies?

Do the other great world religions, as we come to know them better, add anything to our experience? How are we to arrive at, in a world of ethical flux, forms of behaviour that are balanced, socially satisfying and self-commendatory?

Unwillingness to face these issues and industriousness in those of minor importance have claiming virtually unrestricted access to deep seabed mineral resources for themselves and a right of veto over the activity and development of the proposed International Seabed Authority.

Our church leaders, whose minds are either blinkered, timid, or just dull, make no contribution to the uncomfortable questions and make sure their customers are too busy to notice them. It is because they know the theologians have not yet come up with any convincing and comfortable answers.

There are profound difficulties for faith today, as reflective people, frequently not churchgoers, will testify. These arise from the fact that we can get little or no help from our pre-scientific past, of which we present churches are products. The brutal fact is that the Pope, and those who would so ardently keep him out, are themselves relics of that period. Their unrelenting jostling will provide the media with some colourful material, but nobody seriously thinks that it is in any sense central to life.

Not black and white

From Dr P. A. J. Waddington

Sir, Critics of the decision by the Metropolitan Police to release figures on the disproportionate involvement of blacks in street crimes should explain why this information is any less acceptable than that which showed blacks to be disproportionately victimised by crime.

In November, not only was no objection raised to the collection of information on the ethnic group membership of inter-racial attackers and their victims, these figures were enthusiastically embraced as supporting the argument that blacks were the targets of white racism. No mention then of the small proportion of the total crime rate represented by such attacks. The fact that these self-same figures also showed that blacks and Asians committed proportionately more racially motivated attacks went unobserved.

It was right that public attention should have been drawn to the prevalence of inter-racial attacks, just as it is now right to draw public attention to the problem of "mugging". Since the police have been vociferously accused of racial harassment in places such as Brixton, it is necessary to have the evidence which shows whether their actions have been justified or not.

Yours faithfully,
P. A. J. WADDINGTON,
Department of Sociology,
University of Reading,
Whiteknights, Reading.

From Mr Tom Rees

Sir, There has been much speculation in your columns and elsewhere about the reasons for the steep increase in the number of robberies and thefts in the police area of London. The police are, it seems, attempting to pin the blame on Lord Scarman, on the grounds that his report and recommendations have weakened their capacity to act vigorously. The evidence suggests that the

Abhorrent blacklists

From Mr Marius Goring

Sir, Now that our law is administered from Strasbourg and our conscience from Lake Success should we not consider the competence of our new judges? Had those sitting in the European Court ever faced a bright-eyed mob of Glasgow lads they might have earned the right to find a Scottish teacher £1,500 and degrade a British Government to stand surety, as might those in the United Nations had they experienced the loneliness of countless black people in South Africa, to complete the isolation by cutting off all contact with the outside world.

Blacklists have always been abhorrent to those who value liberty containing names of Jews, Freemasons, troublemakers, missionaries, those against whom no charges can be proved:

Yours faithfully,
MARIUS GORING,
The Garrick Club,
Garrick Street, WC2,
March 12.

Belvoir coalfield

From Professor A. D. Bradshaw

Sir, The letter from Mr Madron Seligman, MEP, and others (March 5) shows that the environmental impact of coalmining continues to be a source of worry. The trouble is the evidence provided by the coal industry which suggests, despite certain exceptions, that mining must always produce substantial disturbance and aggressive spoil heaps. Yet this is far from necessary. There is a whole range of modern scientific techniques whereby land used for spoil disposal can be rapidly restored

to agriculture, forestry, wild life or other uses. These techniques can be applied progressively, so that at any one time only a small area of land is used for tipping. Other countries manage this. It is high time that we insisted on the same, as is suggested in the Flowers report. Then we can develop our mineral resources and keep an attractive countryside. Unfortunately the National Coal Board is still unnecessarily, its own worst enemy.

Yours etc,
TOM GARDINER,
Brentwood School,
Brentwood,
Essex,
March 15.

From Mr D. E. L. Crane

Sir, The instinct of all sane men, of course, when the great and good conspire to make soft and smooth sounds in matters of religion, is to ally themselves with the malevolent. The combination of your worthy indignant leader today (March 13) and the infelicitously silly photograph of two bishops holding hands in simpering anxiety on the following page is too much for me.

Perhaps it should be said that proper religion is a matter of extremes, as it is, for instance, for Mr Paisley. We are set between heaven and hell; we have to make the choice of everlasting bliss or eternal torment; it is vital to this end to know what is genuinely the Christian revelation.

If none of these things really matters, if the stakes are not high; if Almighty God is a nice reasonable chap who would not see anyone tormented for eternity, then religion can afford to be an extension of the Social Democratic Party and one of the adornments of civilized life. But if the stakes are indeed high and if Almighty God turns out not to be a social democrat, then Mr Paisley, for all that he is a heretic, is not so deeply deceived as those two cuddly bishops.

Yours faithfully,
DAVID CRANE,
Department of English,
University of York,
Elvet Riverside, Durham.

British voting on EEC elections

From Lord Dourou, MEP for Surrey (Conservative)

Sir, Your leader of March 13 on the electoral system to be used for the European elections stated that British MEPs were almost alone in voting against the regional list system proposed in the resolution voted on last week. In fact, it is interesting and significant that 28 non-British members voted against the resolution and of those 10 were Liberals. This compares with 15 Liberals who voted in favour. Thus the political group which has most stridently espoused a uniform electoral procedure for the European elections is completely divided on the system now proposed.

The European Democratic Group in the European Parliament is opposed to the regional list system, not only because it removes the direct relationship between the voter and his personal representative in Strasbourg, but also because it is open to too much abuse. We have seen in the past, since the first European elections in 1979, when list systems were used in several member states. For example, it is possible for leaders of national political parties to stand for election and then never take their seats or rarely attend. It is possible for members to resign and be replaced by someone from the same party without any reference to the electorate.

These abuses damage the democratic credentials of the European Parliament. The European Democratic Group was prepared to support a uniform electoral procedure, but we believe the system proposed is wrong and should be rejected by the Council of Ministers.

Yours faithfully,
DOURO,
Apsley House,
Piccadilly, W1,
March 15.

Mansion House plans

From Mr A. A. Wood

Sir, The British, or more accurately the English, are probably the most environmentally most unattractive when they (mindlessly?) import alien forms into their towns and cities, and especially into the postwar damaged City of London. Mr John Harris (March 12) is quite right to complain that the thinking behind the Palumbo scheme merely echoes the sterility of the St Paul's Cathedral piazza (sic).

The City, like most English cities, was never a place of monumental spaces, being traditionally more companionable in its original layout and architectural excesses which have helped the capital to lose its looks are more capable of being assimilated into the tightly knit fabric of the City, at least from ground level, for the very reason that they are not displayed in the kind of desolate space typified by the St Paul's piazza.

L'Affaire Palumbo is not, in my view, really a matter of whether good Victorian buildings should give way to Mies's tower (doubtless more stylish than most) but of whether the question of whether we should agree to another bleak international space in place of the English close grain of the City.

Yours faithfully,
ALFRED A. WOOD,
County Planner and Architect,
West Midlands County Council,
County Hall,
1 Lancaster Circus,
Birmingham,
March 12.

Countryside cooperation

From Mr Hew Watt

Sir, "Gulf exposed" between countryside lobbies" (report, March 9) may have been true at the London Conference of National Parks recently, but is far removed from reality in the countryside today.

During the run up to the Wildlife and Countryside Bill all extremists had a field day, but now it is an Act positive and constructive cooperation is happening on the ground.

Mr MacEwen may castigate our Ministry of Agriculture advisers for helping us farmers make money as well as increase indigenous production, but it is this money that has given him his wildlife and landscape for free in the past.

If only British Leyland, British Steel and British Airways had had the same high standard of advisers as we farmers, then the nation would be able to increase the 140 per person, per year that now funds Government countryside and conservation agencies.

Yours faithfully,
HEW WATT,
Hatch Place,
Orsett, Grays,
Essex,
March 10.

Service faults

From Mr E. M. Pinkney

Sir, Saturday's church notices have provided a long appreciated mine of amusement caused by mild Latin misspellings (all unsuitable for quotation here, a family newspaper) and strange musicalological discoveries.

I was surprised to find myself billed to direct a performance of a curious work, Victoria's St Matt. Passion (Schütz) and later to edit the godly in Mayfair to an account of "O clap your hands ye gibbous", composed by Orlando Peopole.

Yours faithfully,
EDWARD MAYNARD PINKNEY,
18 Dumburg Road,
Eastbourne,
March 11.

Stock Exchange Prices

Lack of interest

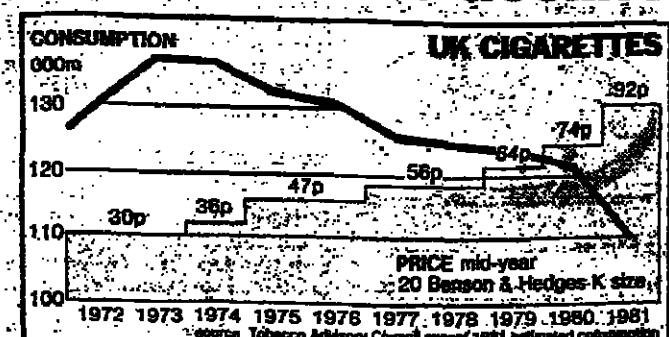
ACCOUNT DAYS: Dealings Began, March 15. Dealings End, March 26, § Contango Day, March 29. Settlement Day, April 5.
§ Forward bargains are permitted on two previous days.

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[illegible]

BUSINESS NEWS

Tobacco sales decline



Cigarette sales fell by about 10 per cent last year, compared with 1980, according to trade estimates. By the year end sales were running 15 per cent down compared with end 1980 after excise duty and manufacturer price increases had put up prices by a third.

Last week's Budget added 5p to the price of a packet of 20 cigarettes. The industry's workforce of 35,000 in 1980 fell by around 4 per cent last year and a further jobs reduction of about 10 per cent is expected over the next 18 months.

Franc under new pressure

The French franc, now sitting at the bottom of the European Monetary System, came under renewed pressure on foreign exchange markets yesterday, after the Mitterrand government's decision to call a regional election. Speculation that France might seek a devaluation was intensified by news of poor 1981 trade figures. The Bank of France raised short term interest rates by 1/4 per cent and may have sold up to 150m Deutsche marks (after DM 100m on Monday) to support the franc. The Deutsche mark was fixed higher at FF 2.54/40 from 2.56/50 on Monday.

Iran signs two oil deals

Iran, whose oil exports have been severely curtailed by its war with Iraq, has signed two crude oil sales agreements. Syria will buy nine million tonnes of oil a year and sell Iran one million tonnes of phosphates. Syria's relations with Iraq have deteriorated recently. Uruguay, with whom Iran has done almost no trade in the past, will purchase \$80m-worth of oil over the next nine months in return for meat, rice and grain.

As oil prices on the spot

market fell to their lowest level for over a year. In March, Opec chairman said that members must hold their \$34 a barrel pricing structure "no matter what the sacrifice".

Oman has given final approval for construction of the new £215m Qaboos University to be built by Cementation International, a subsidiary of Trafalgar House.

No agreement

A meeting of the Stock Exchange council yesterday failed to reach agreement over the proposed increases in commission levels on share transactions. It is understood the council will reconvene next week to decide finally the new levels.

MARKET SUMMARY

Two jolts in quiet trend

LONDON EXCHANGE

FT Index 562.4 down 3.4
FT Gilt 68.33 down 0.14
FT All share 320.67 down 1.15
Bargains 21,431

Bids made the running as an otherwise quiet equity market drifted lower on lack of interest. Dealers were caught on the hop by the sudden announcement that Rowntree's bid for Huntley & Palmer had been referred to the Monopolies Commission. The news saw Huntley's share price jump 20p to 84p, effectively doubling its value. Analysts who had been confident that the deal would go through, Rowntree ended the day 2p up at 170p.

A similar thing happened at Arthur Heald's when 24p to 150p, with ICI's offer of 180p to 150p, saw the share price jump 12p to 162p. The rest of the market was content just to look on, having soaked up numerous lines of blue chips on Monday following one investment and speculation portfolio. Most of the lines were cleared, but 590,000 shares of Pilkington remained overhanging wiping 9p off the price of 27p.

The FT Index ended the day 3.4 down at 562.4.

The rise in United States prime rates of 1/4 per cent to 16 per cent took the sparkle out of gilts. After a firm start prices closed well below the best levels of the day. Longs closed unchanged wiping out earlier improvements of up to 2p.

COMMODITIES

Cocoa prices tumbled in London after a talk that the International Cocoa Organization buffer stock manager had contracted to sell 5,000 tonnes of Ivory Coast cocoa. May cocoa fell by the allowed maximum of 240s a tonne in the afternoon and trading was suspended for 15 minutes. But when the market opened the price fell by another 53s to close at £1,108.50 a tonne. Cocoa for immediate delivery was also hit, falling £48.50 to £1,138. There is no limit on spot price movements.

On the tin market, expectations that the International Tin Council will introduce import controls on March 19 and some buying by the buffer stock manager provided some support. But prices still fell sharply, three months falling £25 to £7,372 and spot tin ending £50 lower at £7,245 a tonne.

TODAY

CBI monthly council meeting. Mr Peter Rees, Minister for Trade, visits West Yorkshire wool textile factories. Treasury and Civil Service Select Committee discusses 1982 Budget and the Government's expenditure plans. Industry and Trade Select Committee takes evidence on the Food Office. Average earnings (January). Indices of basic wage rates (February). Board meetings — Interim: Wm Boulton, Lawless, Finales, Britannic Assurance, Wm Collins and Sons, Corah, Hewitt and Sons, (Penton), John I Jacobs, Johnson Group Cleaners, Lax Service, Hugh Mackay, Tilling, Turner, and Newall, Uni States Insurance.

OTHER EXCHANGES

Tokyo: Nikkei Dow Jones Index 6,915.99 down 161.89
Hongkong: Hang Seng Index 1,185.13 up 23.20

CURRENCIES

The dollar strengthened in active trading, boosted by firm dollar interest rates. Fading expectations of imminent cuts in the United Kingdom rate buoyed the pound.

LONDON CLOSE

STERLING
\$1.8055 up 5 points
Index 90.6 up 0.3
DM4:2950
Fr F11.0500
Yen436.00
DOLLAR
Index 114.0 up 0.4
DM2.3770 up 10pts
GOLD
\$323.00 up \$10.50

MONEY MARKETS

Period rates were slightly firmer. The Bank relieved a shortage of £600m by buying £247m of bills outright at unchanged rates and £507m of bills for repurchase by the discount houses on March 29 at 15 per cent.

Domestic rates:
Base rate 13%
3-month interbank 13 1/4-13 1/2
Euro-currency rates:
3-month dollar 15 1/4-15 1/2
3-month DMF 9 1/4-9 1/2
3-month DFF 20 1/4-20 1/2

Tobacco group aims to expand US interests with agreed takeover for stores

BATs offers \$310m for Marshall Field

By Philip Robinson

BAT Industries, the world's biggest tobacco company, has launched its largest United States bid with \$310m (£172m) agreed takeover for Marshall Field. BATs already owns Gimbel and Saks Fifth Avenue. Marshall Field would add a retail chain with 77 high quality stores.

The bid is being made through BAT US, its American holding company which began operating two years ago. If successful, it will raise the percentage of total profits from all North American operations from 33 to almost 40.

Marshall Field has been a tempting takeover target for American companies for several years. Four years ago, the Los Angeles-based Carter Hawley & Hale retail group attempted an abortive takeover move.

About six weeks ago Mr Carl Kahn, a New York Stock Market dealer, bought 28 per cent of Marshall's stock, and fearing it might be sold on to a predator, Marshall's instructed financial advisors Goldman Sachs to find a friendly bidder.

BATs emerged offering \$25.50 a share for Marshall, which has 18 stores around Chicago, some in Florida, the

BAT Industries
Product lines tobacco interests include:
International Tobacco — grocery retailers;
Wm. T. Young — paper manufacturer;
Marshall Field — department store;
Lorillard, Tardif, Morley — cosmetics;
BAT International Finance — finance.

Caroliner and the West Coast and six in Texas.

For the year to the end of January last year Marshall's sales were \$1,021m with profits after tax of \$20.7m. In the 12 months ending last October, sales were \$1,188m and profits after tax \$23.2m. Net asset value of the group is put at \$309m.

BATs began US retailing in 1972 buying Kohl's, a mid-west food and department store chain centred in Milwaukee, Wisconsin, and a substantial presence in Chicago. It was through this retailing connection that BAT has built a relationship with Marshall Field. The following year it bought Gimbel Brothers Inc and with it 38 Gimbel department stores and 31 Saks Fifth Avenue.

Last year, £72m of the group's £467m trading profits came from retailing and £220m of its total profits came from North American. The largest contribution

remained its tobacco interests at £334m.

BATs report at the end of next month, figures for the year to the end of last December. Analysts expect a 30 per cent profits rise to £620m, giving it earnings per share of 73p and earnings to rise to 80p a share in the present year.

A substantial dividend increase should be announced next month and there has been talk of a scrip issue.

In the London Stock Market, the American acquisition left the shares 8p easier at 413p. Dealers had expected a large buy from BATs for some time. The last balance sheet showed cash and short term deposits of £280m.

The Marshall acquisition is part of BATs declared policy of reducing its dependence on tobacco earnings. The group has been earning 98 per cent of profits outside the United Kingdom on 80 per cent of its assets.

For some time it has been known as a sleeping giant, which would buy any ailing stores group which came its way. The most glaring example of this is seen as its purchase of the International chain, which BATs admits had caused headaches but which is now profitable.



Sir Peter Macadam, chairman of BAT industries.

Monopolies reference on two bids

By Our Financial Staff

Two City takeover bids yesterday were referred to the Monopolies Commission. The moves wiped over £10m off the valuation of biscuit manufacturers Huntley and Palmer, the target for a contested offer by Rowntree's. The second bid, for JCI's agreed bid for Arthur Holden, was referred to the Commission.

Huntley's share price dropped from 104p to 84p, valuing the company at marginally over £60m. There was a £5m fall the previous day as speculation grew about a referral as Thursday's first closing date on Rowntree's offer approached.

The Monopolies reference of Rowntree/Huntley means any other bids have to be abandoned. But Huntley announced last week it was in talks with New Jersey-based Nabisco, the biscuit and cereal giant whose brands include Ritz crackers and Shredded Wheat.

Senior Nabisco executives were meeting last night about the referral. A possible option for them is to ask for a Commission ruling if Nabisco did decide to bid.

The reference of ICI's £12.8m bid for Holden, the Midlands-based confectionery manufacturer, came only a day before the first deadline. With acceptance representing more than 50 per cent of the Holden equity, ICI was virtually assured of success in its 180p per share offer.

Both bids now lapse under Takeover Panel rules.

The City is eagerly awaiting further good news from Cadbury Schweppes which last week unveiled some impressive full year figures. Over the last couple of years the company has been entertaining a coach load of analysts at its factories.

NEB plan to cut Inmos stake

By Peter Hill, Industrial Editor

Plans which will lead to a substantial reduction of the state's interest in the microchip company, Inmos, which is backed by £100m of taxpayers' money, will be discussed later this year.

The company, whose operations are split between a plant in Colorado in the United States and a factory being built at Newport, Gwent, was established four years ago under the Labour Government through the National Enterprise Board.

Inmos will soon require further investment. Finance likely to amount to more than £50m and will have detailed discussions with the NEB and its advisers this summer and a variety of options will be considered.

The NEB, which has been effectively merged with the National Research Development Corporation to form the British Technology Group, is

hopeful that it will be able to reduce its stake in the company from its present 70 per cent to less than 50 per cent.

Dr Richard Petritz, head of Inmos, has said it will not be looking for further Government funds. Of the £100m so far received, some £50m has come from the NEB, with the balance in loan guarantees and industrial grants.

The options to be discussed will include involving United Kingdom private sector institutions — with foreign interests not ruled out — and possibly a phased dilution of the NEB's shareholding.

Much will depend on the state of the microchip market and the company's plans for further manufacturing facilities. When it was first launched, Inmos was considering possibly four United Kingdom plants mass producing microchips.

Since then the market has altered considerably and Dr.

Talks on Poland's 1982 debt

From Peter Norman, Brussels, March 16

Poland has called on its 16 main government creditors in the West to reschedule its official debts falling due this year and the request will be discussed informally by officials of the Western Governments in Paris on Thursday.

Officials involved in the talks have pointed out that Thursday's meeting does not represent a softening of the Western approach to the issue.

One official explained that there can be no substantive discussion until the agreement to reschedule \$2,400m of private bank debt due in 1981 has been signed. Although the Bank Handlowy in Warsaw has said that it sent the last of the interest payments needed to complete the agreement to western banks last Friday, there are no

Western bankers were still waiting today for the final payments to arrive and the Dresdner Bank in Frankfurt, which has been co-ordinating the 1981 rescheduling operation, said it could be some days yet before it is known whether the Poles have finally met their commitments.

An indication of the importance that a rescheduling of this year's debt represents for Poland was given today by the United Nations Economic Commission for Europe.

In a study of the Soviet Bloc's debt, it said that Poland would have to triple its earnings of western currencies through exports from \$5,400m in 1981 to meet its import bill and debt obligations in 1982 if it were unable to obtain a rescheduling or other new financing.

Guinness Peat losses

By Peter Wilson-Smith

Half-year losses of £13.5m net and the £13.8m sale of its investment in United States money broking were announced by Guinness Peat yesterday.

Mr Alastair Morton, the chief executive brought in after the row between Mr Edmund Dell, chairman, and life president Lord Kissin over strategy, said the group's core activities would remain merchant banking, insurance broking and commodity trading.

It would develop other financial services but the 30 per cent stake in Group had been sold because the unit was not receiving any dividends and did not have management control.

Including the United sale, Mr Morton aims to release £50m from group activities — mainly chemicals and merchandising — to cut group borrowings.

Exco, which is buying part of Guinness Peat's United sale reported a 78 per cent rise in 1981 profits to £10.7m before tax.

Racal launches detector

Telephone to stem credit card fraud

By Derek Harris, Commercial Editor

With credit card fraud growing in Britain, British Telecom has approved a fraud-detector telephone designed and produced by Racal Transcom, part of British's Racal Electronics.

An initial order for 300 has been made by British Telecom and nearly all are likely to go to American Express for initial trials in the London area this summer.

Racal is also talking to Access, Barclaycard and Diners, the other three big card companies. Within five years there could be between 50,000 and 40,000 of the transaction phones in use in Britain, according to Racal.

The machines, claimed to be more sophisticated than similar ones already in use in countries like the United States, read identification numbers encoded on most cards. A retailer passes this information to a computer via the telephone network.

The computer can then halt the transaction if the card has been reported lost or stolen and can, if a genuine cardholder is exceeding a credit limit, suggest a telephone discussion.

The machines could be a lead-in to the more advanced technology now being



Racal's fraud-detector telephone.

worked on to allow shop purchases to be settled by using a card for computerized direct debiting of a customer's own bank account — known as Electronic Funds Transfer.

Card fraud is now running at about £12m a year, taking in all the credit, travel and entertainment cards.

Racal's development, brought from drawing board to market in 22 months, could give it a marketing advantage in the British market of at least several months, according to Mr Halliday.

Some of the big banks are taking an interest in Racal's machines as a possible means of checking on stolen guarantee cards, according to Racal.

Sun Oil 'is not buying influence'

By Jonathan Davis

American-owned Sun Oil said yesterday it is ready to proceed with developing a North Sea oilfield if its role as technical operator is approved by the Department of Energy. It denied the appointment of Sir Jack Rampton, the Department's former head, as its special adviser was an attempt to buy influence.

The industry had been speculating that operatorship of the Balmoral field might be transferred to the State-owned British National Oil Corporation, which is operator of a consortium drilling off a neighbouring licence.

However, Dr Richard Fetzner, President of Sun Exploration and Production, said his company believed a majority of the field's reserves lay in Sun's licence area, and it would be expecting to proceed as operator, with approval from the department.

Sun did confirm that its application last year for the neighbouring licence made in partnership with British Petroleum, had been rejected by the Department. But Dr Fetzner said he rejected any suggestion that Sir Jack's appointment was an attempt to buy influence.

He added: "His function is basically one of helping us to become better corporate citizens in the United Kingdom." He would be advising the company on the political, business and cultural environment.

M. P. KENT LIMITED

Property Development

INTERIM STATEMENT

The Directors have pleasure in presenting an interim report for the six months ended 31st December 1981 (unaudited).

6 Months to	31.12.81	31.12.80
Sales	£'000	£'000
Profit before Taxation	12,403	10,367
Taxation	2,662	2,074
Profit after Taxation	2,662	2,074
Cost of Interim Dividend	154	123
Earnings per Share	6.2p	4.8p

* Profit for the six months ended 31st December 1981 of £2,662,161 represents an increase of 28% and it is proposed that the interim dividend after adjustment for the bonus issue should be increased by 20% to 0.36p per ordinary share.

* The development programme continues to expand with a good proportion of forward sales and lettings. This beneficially affects our potential net worth and together with increasing liquidity places us in a strong financial position for acquisitions and growth.

M. P. Kent, Chairman

M. P. Kent Limited,
Northcliffe House, Colston Avenue, Bristol. Tel. (0272) 214971

BUSINESS NEWS/COMPANIES AND MARKET REPORTS

Titanium loses her throne... long live Crystalate

IMI holds a mirror to the economy

IMI's results were very much in line with expectations, mirroring the continuing recession in the British economy (Sally White writes). The Birmingham-based metals, fabricating and zip fasteners' group announced pretax profits down from £28m to £23.8m. Sales were down from the 1980 level of £628.5m to £532.5m.

While many analysts are expecting the upturn on the motor industry and building trade likely to materialize later in 1982 to boost IMI's pretax level to £28m, or so, the company itself was sticking to its usual cautious line. It is not convinced that any overall indication of an upturn in the economy is yet apparent.

When the recovery does occur, IMI will respond disproportionately. It has under taken major surgery, adding to Midlands unemployment figures by making 2,000 more redundant in the year just reported. That takes the labour force in Britain down from 28,000 two years ago to the present 20,000. This year's redundancy total is likely to be another 1,000.

While IMI voices its usual criticism of CCA accounting, its CCA profits show how exposed is the position of engineering companies of the type of IMI. Current cost earnings per share were 0.4p, while the net dividend is 4.5p a share, after a final of 2.5p.

Titanium, IMI's glamour area has lost a lot of its attraction with the decline in orders for the air industry. While this is still grow-

ing, and IMI is still seeking a United States acquisition. Order books are very much shorter. Staff has been cut by 100, and IMI are trying hard to find new markets in non-aerospace, such as process plant for the chemical industry.

Mr Eric Swainson, IMI's managing director, said 29 per cent of pretax profits came from overseas — a proportion they are still trying to increase. South Africa, Australia, the Far East and Germany were areas at which they are looking for expansion.

The new acquisitions are trading on budget. Better profits were reported on water-heating, alloy tube, plastic piping, radiators and fluid power. The Eley sporting ammunition side did better than in 1980, as did the rod and wire divisions; but neither traded on what IMI regard as a "satisfactory basis", which is this way of saying at a loss.

Grow with Buzby

Telecommunications are sharply in focus as a 1980s growth industry, which is why even a small components supplier in the field — Crystalate — is attracting attention (Sally White writes). Its market capitalization is around £14m but, as it supplies the new components the Post Office is installing to modernize telephones, its growth potential is enormous.

Rescued from the status of being just another of the tiny groups built up by the entrepreneurs of the 1960s, Crystalate is moving steadily into higher technology. One of its components enables telephones to be used in



Mr Eric Swainson: Pretax profits from overseas

difficult situations, such as tanks. It is making plastic sockets for plug-in telephones, and is doing assembly work on new terminals for IBM's smaller computers.

The John Leworthy, the former stockbroker who chairs Crystalate, says that, after a profits plateau last year, expansion is now again in prospect. So from £1.39m last year at the pretax level, many analysts are going for around £1.8m. The share price has come up from a low of 55p to 53p. While there is little yield, the prospective rating is around 16 times.

Mr Leworthy says: "It was only in cutting back on the long list of subsidiaries that the Besson subsidiary — which now supplies British Telecom, GEC, Plessey and Pye — emerged." Formerly this had started life as a supplier of hearing aids. But the technology was developed to take it into telecommunications, and it now

provides 60 per cent of group sales and 80-90 per cent of group profits.

The market likes the look of the balance sheet. It is also looking for fresh product areas from future acquisitions. The group still has the £2m raised in last year's rights issue.

Less cash around

Printing banknotes for many of the world's governments is necessarily a secretive business (Drew Johnston writes). De La Rue is responsible for printing around two-thirds of global paper currency, much of it for the Third World, but has been reluctant to own up to a fall on demand. Last Friday, the share price was

hit by confirmation of reports that the Dublin plant was working a 3-day week. Yesterday, the slide abated from Monday's 20p fall — ending the day down 10p at 65p — but continued to fuel fears that the share may be due for a downward re-rating.

The company is well into its close season — the year end is March 31 — and is refusing to say anything about its business, but the downward revision of 1982 profit figures by several brokers points to scepticism that the current rating around 16 can be held.

From profit forecasts of around £3m or £3.5m last year, profit performance is expected by Carr Seabag and Messel's to fall to £2.5m. Last year, the pretax was £3.3m, and 1983 forecasts of £4.0m pretax have also been revised. The yield is 4.5 per cent and the dividend is expected to be held at 20.5p gross, giving a total pay out of 30p for the year.

De La Rue's rating reflects the view that it is a growth stock. But such expectations were dealt a severe blow at the half year when Crosfield Electronics, its subsidiary which supplies scanners to the printing industry, announced losses of £5.66m. A second half recovery has been staged, and the full year performance at Crosfield is expected to be a £4m to £5.7m loss. This is a timely reminder that not even high-technology electronics are a recession-proof business.

Otherwise, the main subsidiary business, De La Rue Systems, which makes cash counting and dispensing machines has been steady, and has performed well in South America. Progress at Security Express, the courier and cash in transit operator, has been virtually static.

INTERNATIONAL



JAPAN

Japanese Government leaders, joined by a sharp economic slowdown in the October-December quarter, agreed yesterday to encourage public works projects with other measures, to fuel growth in coming months. The agreement was reached at cabinet meeting after an Economic Planning Agency announcement that Japan's economy fell an inflation-adjusted 3.5 per cent on an annual basis in 1981's last quarter, the first setback in nearly seven years and a surprise to government officials.

● Toyota Motor Company of Japan, and its selling arm, Toyota Motor Sales have decided the combined group will be known as Toyota Motor Corporation after the two companies merge on July 1.

● Nissan, the Japanese Motor company, has taken over Datsun Netherlands to strengthen sales in the Netherlands.

FRANCE

The share price recovery accelerated on Paris stock exchange yesterday, with the trend indicator showing average gains of 1.4 per cent after an 8 per cent drop over the past three weeks. Operators attributed the rise to a "corrective adjustment" that was encouraged by Monday's recovery on Wall Street.

● France is not thinking of tightening import restrictions on Japanese goods any further, according to Michel Jobert, French Foreign Trade Minister, who is having talks in Tokyo on French-Japanese trade imbalance.

● French industrialists expect the rhythm of production in the very short term to remain steady as domestic demand continues to lag, the Bank of France said yesterday.

UNITED STATES

General Motors and Toyota, the leading car manufacturers in the United States and Japan, are to have further talks in the early summer on the possibility of joint production of small cars in America. Discussions on a co-operation venture began on March 1.

● Sales of American-made cars in the United States fell

by an adjusted 31.8 per cent in the first ten days of March. Despite the offer of substantial discounts by the five main manufacturers, sales amounted to 155,530 in the period, against 202,569 a year earlier.

PHILIPPINES

The Philippine National Development Corporation has predicted that the nation's programme of 11 leading industrial projects will earn it \$8,860m in foreign exchange by 1990, the Asian Wall Street Journal has reported. That amount far exceeds the earlier estimates of \$4,000m of the National Development Corporation, a private consulting firm.

WEST GERMANY

About 5,000 West German steel workers in the Ruhr industrial city of Bochum started a warning strike to press for the same 4.2 per cent wage raise recently granted to metalworkers outside the iron and steel industry.

FINLAND

Finland's unemployment totalled 152,900 in February, which was 6.7 per cent of the total labour force. The number of workless was up by 2,000 from January and by 27,200 from a year earlier, the Labour Ministry said yesterday.

AUSTRALIA

Foreign investment in Australia rose in the last quarter of 1981 to A\$1,430m (£841m) from a revised A\$929m in the previous quarter. A year earlier the inflow was A\$1,020m.

MALAYSIA

The Malaysian Government has formally requested Dutch help in persuading the European Economic Community to remove tariffs on its exports of crude and refined palm oil.

CANADA

Canada and Japan started four days of talks in Tokyo yesterday with Canadian Trade Minister Mr Edward Lumley calling for restraints on Japan's car exports. Mr Lumley will demand that Japan should buy more Canadian car parts to redress the trade imbalance.

UNITED KINGDOM

World merchant shipping tonnage lost completely in the first quarter of 1981, as reported by Lloyd's Register up to December 31, fell to 279,229 gross tons (84 ships) from 335,880 tons (89 ships) in the 1980 final quarter.

CAPITAL MARKETS

The European Community will issue yet 20,000m in so-called Samurai Bonds on the domestic Japanese capital market in May. The ten-year bonds will be the EEC's first Samurai Bond placement.

Anax International Finance is floating a \$75m, 10-year Euro-bond issue with an indicated 16.25 per cent annual coupon rate

and open pricing. The bonds are guaranteed by Anax, the United States mining company.

The Islamic Development Bank has signed a loan agreement for \$20m with Turkey to be spent on oil imports. Since January the bank has loaned \$42.84m to Turkey in five separate loans, three for industrial projects and two for oil imports.

The International Monetary Fund has granted a \$120.7m loan to Zaire, after a 20 per cent drop in the country's export earnings

last year after the decrease in world prices for metals, coffee and diamonds. Zaire's IMF quota is \$257.6m.

The Swiss Confederation will tap the capital market for Sw F 150m this month rather than the Sw F 250m originally foreseen. The Confederation was happily surprised to learn late last month that its budget deficit for 1981 had been about Sw F 1,000m less than expected, allowing the Government the luxury of cutting

back on its market borrowings.

A \$75m syndicated medium-term loan at 1% per cent over Bahrain Interbank Rate for the Saudi Arabian Shobokshi Trading and Construction Group has been signed. The three-year club loan was raised to finance the group's present projects in Saudi Arabia. The Export Development Corporation and a Canadian banking consortium have signed a \$48.5m credit to support Canadian development of an electrification project on the Ivory Coast.

OVERSEAS COMPANIES

Inchcape, the Singapore-based company, announced aftertax profits decline of 60 per cent to Sing\$30.5m (£7.97m) in 1981 from 1980. The company cited depressed demand for motor vehicles in Malaysia, exchange rate fluctuations, high interest rates and the unprofitable timber business as reasons for the slump in profit, which turned out lower than predicted in August when interim results were released. The diversified car distributor, owned 64 per cent by United Kingdom-based Inchcape and Co, recommended a 10 Singapore cents a share final dividend, bringing the total payout 17.5 cents down from 25 cents in 1980.

Schering AG, the West German chemical company, has announced higher net consolidated profit and an 18.8 per cent rise in group turnover to DM3,820m (£882.2m) in 1981. Groupe Bruxelles Lambert is planning a merger with its wholly-

owned subsidiary Compagnie Bruxelles Lambert as part of a financial restructuring plan which will also include a change in its financial year dates.

McLouth Steel Corp. was expected to announce late yesterday its plans for dealing with a move by its lenders to stop financing the company and possibly to call in \$12m in loans, according to Detroit reports. The company board was reportedly preparing its strategy against any call for liquidation.

The Norwegian consolidated group, which consists of Statoil Norsk Olje and Raffineri, had sales totalling Kr13,500m (£1,231.7m) in 1982 compared to Kr8,600m in 1980. The net income rose from Kr203m in 1980 to Kr1,019m in 1981. Taxes were Kr352m and it may pay dividend of Kr368m to the state. The consolidated group invested altogether slightly more than Kr3,000m in 1981. The investments in the development of the Statfjord field are still the largest item of about 70 per cent of the total investments. Internal financing was Kr2,700m. The largest part of Statoil's currency debt is in dollars.

Essex Water Company

The Hon. P.E. Brassey's Statement to Stockholders

The following is the Chairman's Statement submitted at the Annual General Meeting on 16th March, 1982

Since my last Statement, there have been a number of developments of major significance both to this Company and to the industry generally. One of the most important was the Monopolies and Mergers Commission's Report on the water services supplied by the Severn-Trent Water Authority and two associated Water Companies. This Report, together with the publicity given to the level of increases in charges throughout the industry in April, 1981, focussed considerable public attention on the water industry. This Company has taken careful note of all these developments and has made, and will continue to make, strenuous efforts to effect economies where these can be made without detriment to the standard of service.

Control of Expenditure

I am happy to report that the Company's overall expenditure in 1981 was contained well within the amount that was anticipated when the budget was set. Nevertheless, operating expenditure rose by a little over 8% when compared with 1980, and this percentage compares favourably with the 12% increase in prices generally.

A policy of voluntary severance and early retirement for employees introduced during the year assisted the Company in achieving its aims of controlling recurring expenditure. The terms of the scheme were in accordance with the Employment Security and Severance Scheme for the Water Service and the total cost to the Company in 1981 was £317,000. The operation of the Scheme was a significant factor in enabling a reduction of over 50 in the work force during 1981. The policy will be continued so long as it is of benefit both to the Company and its employees.

Water Rates and Charges

Charges are being increased by a relatively modest amount in April. A number of factors have made this possible, one of which is the continued attention the Company is giving to improving efficiency in the longer term.

It is nearly a year since the Company extended for all customers, including domestic customers, the option to have their supply metered and to pay on the basis of quantity taken. Commercial customers have had at least eighteen months to consider the benefits of installing a meter and have received several reminders from the Company. During 1981 some 300 meters were fitted to previously unmetered supplies. In view of the potential savings to customers with larger commercial premises where water consumption is low and rateable value high, the publicity given by the Company to the meter option has generated surprisingly little interest.

Existing arrangements for billing sewerage and other charges for the Anglian and Thames Water Authorities continue. Water charges accounts are also prepared for a neighbouring water company and plans are well advanced for similar services to be provided for a second water company.

Water Consumption

The total volume of water put into the supply in 1981 was approximately 4% below the level of the previous year. Almost all of this decrease was the result of a reduction in supplies to industrial and other metered customers, whose total consumption fell by over 10% when compared to 1980. This was the second consecutive year that a decline in metered consumption was recorded.

Prediction of future metered consumption is most difficult. If, however, the present decline continues and if this decline is accompanied by a significant number of unmetered commercial customers opting to install a water meter, the Company's current charging base will be eroded. If the charging base is significantly eroded in the short term, this may well have an adverse effect on the level of the Company's charges in the future.

Major Capital Projects

During 1981 the Company spent over £5,000,000 on capital projects. The major project in progress during the year was the construction of additional rapid filters at Hanningfield which will enable output to be increased by 12 million gallons per day. In addition, over £800,000 was spent on extending and improving the network of distribution and trunk mains. The Mid Essex divisional office and depot were completed at the end of 1981, enabling the Company to provide much needed accommodation and release leased premises.

Work on the South Essex divisional office was completed in early January, 1982. The division has now moved out of Head Office enabling a temporary office building to be demolished as required by the local authority.

Raising of Finance

During the year the Company obtained a new Capital Powers Order, which increased the combined authorised capital and loan stock from £60,000,000 to £100,000,000. An issue of £6,000,000 10% Redeemable Preference Stock, 1985 was made on 25th November, 1981, to provide funds to redeem at par £500,000 3.5% (formerly 5%) Redeemable Preference Stock, 1980/81, £200,000 4½% Redeemable Debenture Stock, 1980/81 and £4,000,000 9% Redeemable Preference Stock, 1982 as well as to provide funds for future capital expenditure. The issue was by tender and an average price of £101.66 per £100 of stock was obtained.

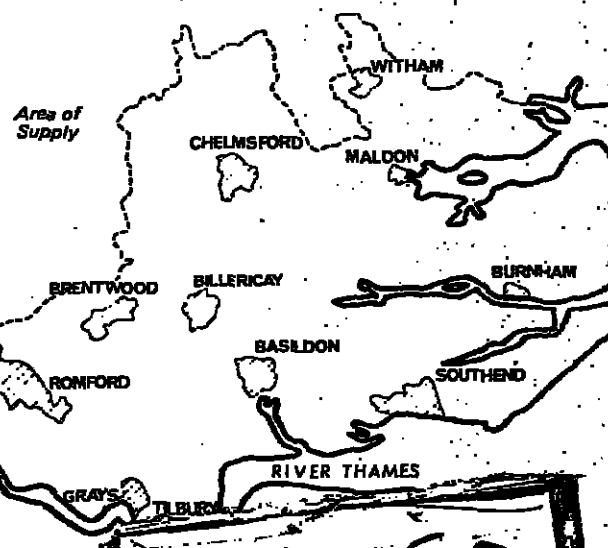
The Company also arranged leasing contracts to finance the purchase of a number of smaller items of equipment.

Directors and Staff

It is with great regret I record the death of Mr. Arthur W. White on 26th January, 1982. Mr. White's connection with the Company spanned more than fifty years, firstly as Financial Consultant and then as a Director from 1962. He was elected Chairman in 1966, a position which he held until January last year when he relinquished his Chairmanship and became President of the Company, a post which reflected the high esteem in which he was held. He will be greatly missed not only by his fellow Directors, but also by the staff whose interests were of particular concern to him.

I am sure you would wish to join me in congratulating Mr. Simon Ashton on his having been appointed a Commander of the British Empire Order in the New Year Honours List.

I should like to thank the staff for their loyal and willing service during the year. Their efforts to maintain standards (especially in the adverse winter weather) and to improve efficiency are most worthy of note.



Brooke Bond Group

Interim Results:

Salient Features

Extract from the Interim statement of the group for the six months to 31st December 1981

	1981	1980
Sales outside the group	£486,303,000	£325,988,000
Group trading profit before interest	£29,668,000	£22,796,000
Group profit before taxation	£18,917,000	£19,328,000
Group profit after taxation	£10,649,000	£11,372,000

Trading profit was ahead of the corresponding period of last year both in the UK and overseas. Exchange translation contributed £1.5m. Profits improved from trading, manufacturing and distribution activities overseas, particularly in Australia and India. Plantations and ranches showed a net gain. Meat processing and retailing in the UK continued to experience difficulties.

Mallinson-Denny is included for the first time and contributed a profit before tax despite the continuing adverse conditions in the industry.

Interim Dividend

The Directors have declared an interim dividend of 1.25p per share (the same rate as last year). This dividend will be paid on 1st July 1982 to shareholders on the register on 4th June 1982 in respect of the 311,427,982 ordinary shares in issue (last year 306,465,057).

The amount of the interim dividend will be £3,892,850 (last year £3,830,613).

Copies of the full statement will be sent to all shareholders. Additional copies may be obtained from the Secretary, Brooke Bond Group plc, Thames House, Queen Street Place, London EC4R 1DH.

Brooke Bond Group plc is the parent of a group of companies in the United Kingdom and overseas engaged in the marketing and distribution of tea, coffee, meat and other food products; the importing, processing and distribution of timber and allied products; the operation of plantations and ranches; international commodity trading and specialist manufacture and services in the printing and micro-biological fields.



BUSINESS NEWS/FOCUS AND COMMENT

PEOPLE

Ebullient doctor bows out

Car Roth becomes chief engineer and scientist at the Department of Industry last July, succeeding chief scientist and engineer, Dr. David Davies. Dr. Roth had been in charge of the earlier estimates of the National Physical Laboratory, a private company.

Dr. Roth is moving to the civil service from BP International where he ran the group engineering and technical department. But, as chairman of the government's Mechanical and Electrical Engineering Board, he is familiar with the corridors of Whitehall. He is now in charge of the department's base on Victoria Street.

The change-over will not bring any abrupt policy changes. Mr. Roth's predecessor has done a great deal and is going to build on that. But, even if there are no new directions, the 1980 scientists and engineers employed by the government will feel a distinct change in personality. Their new boss or, rather, Head of Profession, to use the more decorous civil service terminology — is quiet and courteous, in contrast to the outspoken Dr. Davies, a man for whom the word "lax" might have been invented.

People are finding that a new rock concert hall in Brixton, South London, is living up to its name at the opening night of the Fair Deal ticket, two were sold for £2.

An uncommon procedure

Can there have been an odder debate than the one held this week when the opposition was around to speak but not to vote? This was not a Parliamentary debate, I hasten to add, though I am sure there are MPs on either side of the House who would welcome an extension of the same principle to Westminster business.

The Advertising Association debating group arranged to use a common committee room to air the motions. Advertising is such an important means of communication that it should be more rigorously controlled.

The audience was largely of advertising people and the motion, lost before it was debated, sank without trace.

Knight of steel in a new role

Finnish steelmaker, Rautaruukki Oy, is consolidating its presence in British market with a new company whose chairman is to be Michael Dowling. Mr. Dowling, a consulting engineer, is no stranger to the steel industry or indeed to Finland. He spent the bulk of his career with the Davy Group which is a major supplier of steelworks, chemicals plants and the like. He was president of the Metals Society three years ago.

His links with Finland go back a considerable time and encompass membership of the Finnish British Technological Committee and, like other Brits who have worked to develop a closer relationship between the two countries, Mr. Dowling is a Commander, Knights of the Finnish Lion.

NEW APPOINTMENTS

Mr. Derek Evans of Cable & Wireless has been appointed chief executive of Mercury Communications. Other members of the board are Messrs J. L. W. Bird, P. A. McCann, R. Watson, C. F. H. Morland, C. M. Morris and B. Marson-Smith. Further appointments include Mr. P. A. Coll as technical director and G. J. Crockett as senior project manager.

Mr. T. J. Atwood has been appointed chairman of the Post Office Users' National Council from April 1 this year until March 31 1985.

Mr. Derek Bond and Mr. P. J. D. Haef have been appointed directors of the Permanent Insurance Company. They replace Dr. S. P. Meadows and Sir Clifford Naughton. Messrs. Mr. D. Gordon and Mr. M. Rapp have been appointed directors of Capital & Counties. Mr. E. Pavitt has resigned.

The gold market is troubled. The price has been dropping steadily and some analysts believe it could fall even farther, perhaps as low as \$250 an ounce. The weakness of gold is causing problems both for producers like South Africa, and for those who bought it when the price was much higher.

Michael Prest reports

Gold: when will the market turn?

While London's bullion dealers were musing yesterday over whether gold had much further to fall, investors in Kuwait were convinced that at about \$320 an ounce the metal was a bargain. The gold market was reported and some overwhelmed traders were said to be weighing the banknotes rather than counting them.

After a prolonged bear market which has seen gold tumble by \$100 since the beginning of this year, signs of buying in the Arab countries are significant. It is a maximum in the gold market that when the astute investors of the gold souks turn their backs on the market, the gold price is as or close to its nadir.

But it is equally telling that the apparently more sophisticated professional dealers of London, New York, Zurich and Hong Kong are nervous about the strength of downward pressures. They fear that gold, which exactly two years ago reached a record price of \$850 an ounce, has not yet hit the bottom, at least in the short term. They are worried that the price will fall further.

Some experts are also concerned that the long term outlook is lacklustre. Whereas the 1970s was a decade in which inflation, rising oil prices, a weak dollar, and political upheavals benefited gold, the 1980s will be characterised by deflation, a stronger dollar and greater wariness by investors towards gold.

These rumblings are not confined to the dealers whose profits depend on an active and preferably rising market. They are shared by the producers, chiefly South Africa and the Soviet Union, for whom the falling gold price, along with oil, diamonds and other precious metals, spells lower government revenues and balance of payments problems.

Central banks will also suffer. Countries such as France, West Germany and Italy, which were major gold buyers in the late 1960s and in the 1970s have still made major capital gains. But

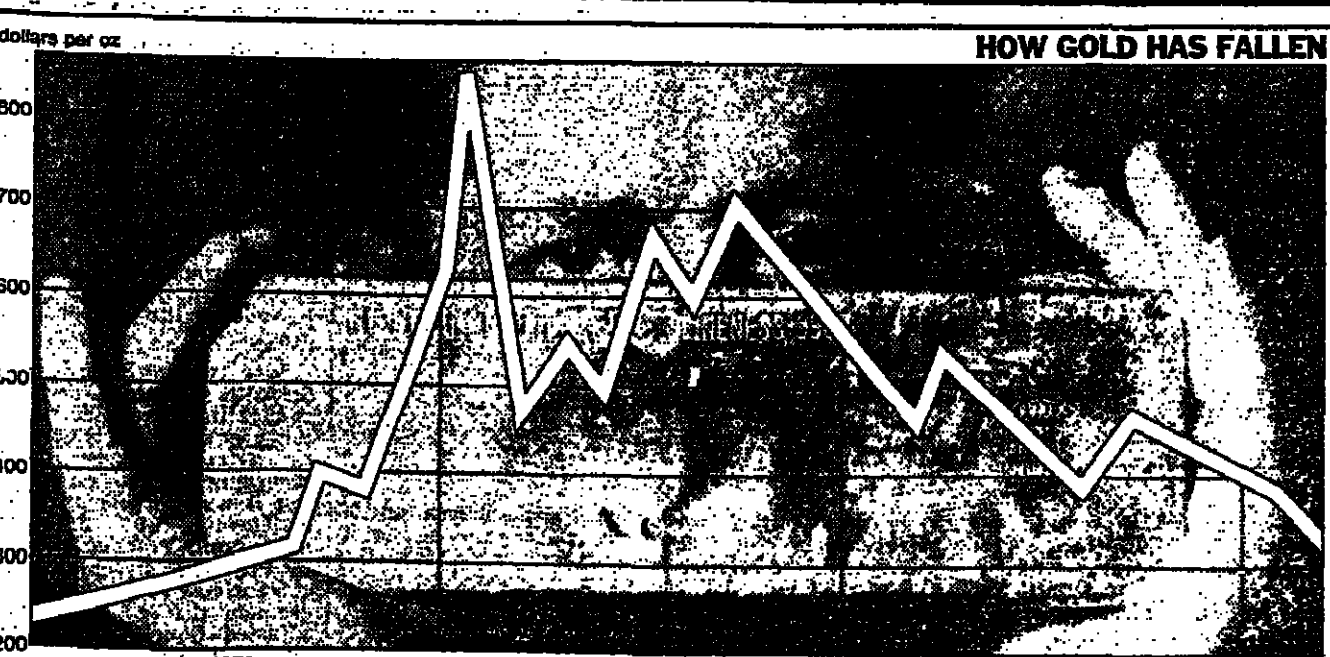
others such as Iran, Iraq, Indonesia and Colombia, which bought some of their gold reserves at the height of the boom in 1979 and 1980 have incurred losses.

This in turn could set back the cause of "monetizing" gold — effectively returning to a gold standard — a cause already damaged by the refusal of President Reagan's gold commission to countenance a return to this system.

Some of the more devoted gold bugs, as the market calls them — had placed high hopes in conservative Republican administration seeing the sense of "sound money". Their disappointment has been a factor in undermining the gold price recently and has led other major investors, notably in the Middle East to sell.

But more profound forces have been at work as well. Gold dealers cite three main depressants: high interest rates, the relative strength of the dollar, and reaction against the high prices two years ago. The result has been a cumulative collapse of confidence which has fed on itself. Technical market analysts are now gloomily studying their charts and talking about the price falling to as low as \$280 an ounce.

Gold is frequently regarded as a hedge against inflation, although the historical evidence for the metal holding its value is open to question; and even if the same quantity of gold might buy as good a suit now as 50 years ago, there have certainly been violent short term fluctuations in the price. But during the great inflation of the 1970s, when some pessimists thought paper money would collapse in a wave of hyperinflation, gold seemed attractive.



HOW GOLD HAS FALLEN

tie up money in a dead asset such as gold? The argument was reinforced last year as interest rates produced real returns for the first time in a decade. So gold, which as the chart shows, entered 1981 at about \$550 an ounce, was soon trapped in a remorseless downward trend. At the same time the aggressive attitude of the United States Federal Reserve towards interest rates shored up the dollar. In

GOLD PRODUCTION (1980 metric tonnes)	
South Africa	675
Soviet Union	300
China	50
Canada	49.3
USA	27.6
Rest of Africa	29.7
Brazil	35
Rest of Latin America	50.5
Philippines	22
Rest of Asia	9.2
Europe	9.4
Australia	17.3
Papua/New Guinea	14
Rest of Oceania	4
TOTAL	1,293

August, 1971, the Nixon Administration was forced to announce convertibility at \$35 an ounce because holders of the dollar were so anxious to unload their currency. By the end of last year the reverse process was in train.

As these forces built up, investors and some official holders of gold decided to sell. Reports of sustained selling by Middle East investors began to circulate. Sensing that it might be a good while before the price rose again to \$850 or more, they liquidated stock, often at a loss. The market, seeing major investors fleeing, grew more agitated.

Confidence in the gold market was also undermined by the problems of the Organisation of Petroleum Exporting Countries and the falling oil price. As oil and gold prices rose in the 1970s, some analysts stressed the apparent correlation between the two: in 1974 gold was \$100 an ounce and oil was \$10 a barrel; in mid-1980 gold was

\$300 and oil was \$30. But the necessary connection was never clear, except in the general context of inflation. There is a psychological link, however, and the recent weakness of oil has played on gold.

More substantial is the strain placed on some oil producers by the combination of low prices and war. Iran and Iraq were both said to have sold gold in January and February and their denials met with scepticism in the market. It is a paradox that the crisis in the Middle East which might only a year ago have been enough to push gold up, is now having the opposite effect.

But the biggest oil producer of all is the Soviet Union, and it is Russian gold sales which have dominated the market for the past six months as revenues from oil have slipped. The Soviet Union's gold production is a state secret, but output is estimated by Consolidated Gold Fields, the British mining finance house, at around 300 tonnes a year. Market sources believe that as much as 250 tonnes of Soviet gold could have been sold last year. A sharp increase from 90 tonnes in 1980.

The Soviet Union has pressing cash problems caused by bad harvests and the fall in earnings from energy exports. But gold experts are cautious about the impact on prices of its sales, pointing out that the Russians are astute sellers. Those interests do not lie in disrupting the market.

The same arguments apply with greater force to South Africa. The republic is far and away the world's leading gold producer, contributing 675 tonnes to the total non-communist newly mined gold output of 943 tonnes in 1980. Production last year was slightly less. In 1980-81 government revenue from South African gold mines was 3,600m rand (£1,925m), but in the financial year 1982-83 government receipts could decline to R1,000m.

South Africa is in fact more vulnerable than the Soviet Union. A balance of payments surplus has been

Reading of Chase Manhattan in London, said: "They've got to have a good IQ and some intelligence; they must be numerate and quick. People who like to spend time thinking things out logically are no good. They must have great courage, self-confidence, even cockiness."

They are putting themselves on the line every minute of the day, and they've got to have the ability to take knocks and bounce back. At the same time they've got to take it seriously.

Dealing on the foreign exchange markets is a job that attracts an increasing number of people, but the turnover is remarkably low. At Chase Manhattan, Mr. Ronald Reading has lost only four dealers out of a complement of 20 in three years.

There must be some explanation for the attraction of this job that seems so nerve-racking, even soul-destroying.

It is more than just excitement — there are many jobs that offer more pure excitement. Its fascination seems to lie in the peculiar allure of money — not for the sake of money, because a salary of £25,000 after 10 or 15 years is hardly sensational — but because of its versatility and unique evanescence, where millions appear and disappear every few minutes, as if by magic.

Dealers don't burn themselves out in the same way that commodity brokers do, but there are very few over 50. Mr. Owen Mitchell, 55-year-old senior manager, worked his way up from the dealing floor. Now he monitors the bank's position throughout the day and takes the responsibility of any temporary deficit that may be borne overnight as a result of his dealers' efforts.

"Dealing is not the sort of job you can just do for five years," says Mr. Mitchell. "It takes three years to train a dealer, so I need more years out of him than that."

The typical dealer will be a bright young man with a degree, but no university levels, who has worked in the bank for four years or more. There are very few women.

Different dealers have different temperaments, but they require certain essential characteristics. Mr. Ronald

Business Editor

Guinness Peat starts to reshape

The boardroom cracks may have been papered over at Guinness Peat but the new chief executive Mr. Alastair Morton has less room for manoeuvre than he would like in his task of knocking shape into a group which has lost its sense of direction.

Yesterday's first-half figures — commendably more informative than in the past — were far from reassuring. They showed pre-tax losses have soared to £7.4m against profits last time of £3.6m, and there is an overall deficit after extraordinary items of £13.5m. So the group does not have the luxury of robust profits or a strong enough balance sheet to sit back and decide where its future lies.

In general terms GP seems to be returning to its roots, reviving the traditional merchant banking concept of a broadly based financial services operation with its fingers in allied pies like insurance, broking, and commodity trading. Gone are the grand strategies of turning the group into an industrial holding company, because the capital intensive nature of these activities are what have brought GP to this sorry state.

If the Guinness Mahon management is to develop it will need all the spare capital GP can muster. It must, therefore, come as a double disappointment that the stake in Unilever, with its money broking and Telerate financial information interests, has been unravelled only a few months after it was held to be a major growth leg for the group.

True, GP realises a handsome profit on this deal of £8.5m, while taking £16m the sale of the stake to Exco realises will help bring borrowings back to a more comfortable level. But if GP aspires to a bigger role in financial services generally, the withdrawal from Unilever is a strategic blunder.

Plainly then GP is still feeling its way towards the future. At least the Chicago animal fair haemorrhage, which cost another £4.9m in the first half, has been staunch and loss-makers elsewhere have been sold. But with a passed interim dividend and the fruits of the present reorganization still at least a year away, there is a lot of hope value in the shares, up 7p to 83p yesterday.

GP is likely to look enviously at the sort of returns Exco is squeezing out of money broking with its pre-tax profits four-fifths higher at £10.7m as it has continued to thrive in volatile interest and exchange rate markets.

Rowntree/H&P Into limbo

The Office of Fair Trading duly filled in part of the Monopolies Commission's spring and summer schedule yesterday, by referring both the Rowntree-Mackintosh bid for Hurdley & Holden.

Those waiting for that springtime drop in United States interest rates are having their patience sorely tried. Banks that had got ahead of the game with prime rate reductions found themselves adjusting back upwards to a mainstream 16% per cent yesterday while the Fed Funds rate remained firm at 15% per cent in early trading.

Back home the Bank kept the British money market situation under reasonable control. Its £754m of help on a shortage facility forecast at £600m pushed the overnight interbank rate down to a closing level of 6 per cent, though it did not prevent period rates edging a touch higher.

THE STERLING TRUST PLC

Year ended 31st Dec	Total gross revenue £'000	For each 25p share	Net asset value p
1976	2,000	6.71	6.30
1977	2,578	9.32	9.10
1978	2,740	9.77	9.50
1981	2,735	9.55	9.50

* Includes special dividend of 1.0p per share.

Distribution of Investments as at 31st December 1981

United Kingdom	61.2%
North America	22.2%
Far East	11.0%
Other Countries	5.6%
	100.0%

Investment Manager: ROBERT FLEMING INVESTMENT MANAGEMENT LIMITED, P & O Building, (2nd Floor), 122 Leadenhall Street, London EC3V 4QR.

M. J. H. Nightingale & Co. Limited

27/28 Loyal Lane London EC3R 8EB Telephone 01-621 1212

The Over-the-Counter Market

1981/82	High	Low	Company	Price	Chg	Gross Div (%)	Yld (%)	P/E	Fully Paid
126	100	95	Ass Brit Ind CULS	126	-	10.0	7.9	-	-
75	62	58	Airship Group	75	-	4.7	6.4	11.6	15.0
51	33	30	Armistage & Rhodes	43	-	4.3	9.6	3.8	8.5
205	187	180	Baldwin Hill	198	-	8.7	4.9	9.6	11.7
107	100	95	CCIL 11% Conv Pref	107	-	15.7	14.7	-	-
104	64	60	Deborah Services	64	-	6.0	9.4	3.2	6.0
131	97	90	Frank Horrell	127	-	6.4	5.0	11.4	23.5
83	89	80	Frederick Parker	80	-	6.4	8.0	4.1	7.8
78	46	40	George Blair	52	-	-	-	-	-
102	93	85	Ind Proc Castings	95	+1	7.3	7.7	6.8	10.3
109	100	95	Isis Conv Pref	109	-	15.7	14.4	-	-
113	94	85	Jackson Group	97	-	7.0	7.2	3.1	6.9
130	108	95	James Burroughs	113	-	8.7	7.7	8.2	10.4
334	248	230	Robert Jenkins	250	-	31.3	12.5	3.5	8.8
63	51	45	Scruttons "A"	63	-	6.4	5.4	9.7	9.0
22	159	150	Torday & Carlisle	159	-	10.7	6.7	5.1	9.5
15	10	9	Twinklford Ord	134	-	-	-	-	-
80	66	62	Twinklford 15% ULIS	79	-	15.0	19.0	-	-
44	25	20	Unlock Holdings	25	-	3.0	12.0	4.5	7.6
103	73	68	Walsh Alexander	78	+1	6.4	8.2	5.1	9.1
263	212	200	W. S. Yeates	226	-	13.1	5.8	4.3	8.7

Prices now available on Prestal page 48146

Group 1981

1980	£325,988,000
1981	£22,796,000
1982	£19,328,000
1983	£11,572,000

The group 1981

to cover the interest acquisition. The acts higher rates corresponding

member of strategic state with a will have division is being e future

last year. This 2 in respect of

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POINT-TO-POINT

From Peter McFarlane, Auckland, March 16

[illegible]

Second Inning:
a Snedden, b Cairns
lhw, b Hadlee
Cairns
a Cairns
pos, c Edgar, b Hadlee
c Howarth, b Morrison
sh, c Crowe, b Hadlee
c Coney, b Hadlee
on, lhw, b Hadlee
a Smith, b Morrison

WICKETS: 1-108, 2-167, 3-119,
4-6-254, 7-254, 8-280; 9-2
AG: Hadlee, 26-9-53-5; Trol-
LO: Cairns, 44-10-55-3; Sned-
CON: Cony, 4-1-8-0; Morris-
2; Howarth, 4-2-4-0.
IRELAND: First innings 357
J. V. Coney 73, G. P. How-
Second Innings:
c Lilece, b Alderman.....
c Laird, b Alderman.....
c Wilson, c Marsh, b Lilece.....
Howarth, c Chappell, b Yardley.....
b Border.....
not out
not out

Hometown hero: Hadlee in action

From John Wilcockson,
La Seyne-sur-Mar,
France, March 16

From Kelly of Ireland he

confirmed his right to the leadership of the Paris-Nice cycling classic in the most emphatic manner by winning his second stage of the race, although he still leads by only one second from Gilbert-Lassalle if France the 1980 winner.

His winning move came on the descent of the Col du Corps d'Harde, the last of innumerable hills that had split the field on a brooding day in the limestone hinterland of the Mediterranean.

Kelly went clear with Ren Bittinger, one of his French colleagues, and two Peugeot men, Duclos-Lassalle and Phil Anderson, of Australia.

Kelly was the pacemaker but he still had the speed to outspring his companions. Missing from the sprint was Anderson, who had a puncture in the final three miles and finished with the second group of 23 riders, 19 seconds behind Kelly.

Also missing from the group was one of the favorites, Joop Zoetemelk, aged 35, of the Netherlands, who finished with the second big punch, seven minutes later. He had ridden the 98-mile stage from Miramas with five stitches in his scalp after crashing yesterday.

Kelly has scored a psychological victory over the Peugeot team, which dominated the day's

The wide margins which separated the riders today, — 3 minutes between first and last, — shows what a demanding race this has become. Ironically, the main pretenders to victory are separated by less than a minute — a margin that could be won or lost on the Col d'Eze time trial on Thursday.

SUBSULTS: Stage 5 -- (Marines to Lay Synchrony)
 98 miles! 1, S Kelly (Belgium), 4 hrs & 6 mins 1
 1, C Ducky-Lassalle (France), 4 hr 1 min
 1, R Bangerter (France), 4 hr 13; 4, G Van
 1, J. L. Bouchard (France), 4 hr 17; 5, M
 1, Vandenbroeck (Belgium); 7, M Polentier
 Belgium); 8, M Tirazet (France), all at 4 hr 30;
 9, H. J. Kuylenstierna (Sweden), 4 hr 35;
 10, English (England), 4 hr 35; 11, Jones, 4 hr 30; 62,
 12, J. A. W. 19-42-05, J. Hardy, 4 hr 42; 7, T.
 (USA) 4:22:15; 83, P. Sherven (GB),
 4:22:15.

OVERALL PLACINGS: 1, Katy 25:57; 2,
 Dutch-Lassalle 25:56:18; 3, P Oesterboom
 (Netherlands), 25:58:45; 4, Rocha 25:58:18;
 5, J. A. W. 19-42-05, 25:59:00;
 6, J. Vandenbroeck 25:57:00; 7, Anderson
 25:57:33; 8, S S Baucherie (France), 25:57:47;
 9, British pacifier, 38, G Boyes 25:57:41;
 10, P. Sherven 25:58:21; 11, G Boyes 25:57:41;
 12, J. A. W. 19-42-05, 25:59:00;
 13, J. A. W. 19-42-05, 25:59:00;

By Ian Reid

Record entries, big fields and divided races were the order of the day last Saturday, with riding double for Jenny Pidgeon in the Shady Side Oaks and John Llewellyn at the Brecon. The Oakley Men's Open produced two useful Christie quality horses, but the winner was last year's Sir Bryn expended a lot of energy fighting his jockey, but now James Tarry was able to take the lead and was in the adjacent nature. Cumberbund, without too much restraint, faced McKie's frantic efforts or Lochus never looked like he was going to win. The danger was adjacent nature, Cumberbund, and threat to the first two.

Never Flap was last season's champion McKie horse and four clear seconds in the first two races. The second Ladies Open split after a dramatic first, its fortunes changed after the first. First, Chind and the second, Chind, were going easily in the lead, departed in the back straight second time round. Chind was the only other conceivable danger, came down at the second last, leaving Jenny Pidgeon to bring home the race at a distance.

Distance of Karsair.

The first division had been won by Old Kinvara, strongly ridden by Rosemary Harper to hold off Sporrnan Lad. The first two in each division qualify for Cheshamslow.

Men's Open; L Up, Ladies Open; N Op

EQUESTRIANISM

By Pamela Macgregor-Morris

Bruce Davidson, aged 32, dual event trials world champion from Pennsylvania, has arrived in England to prepare for the defence of his title at the All England event in Germany in early September. As the only three-day event rider to have won the world title, Davidson is determined to establish a unique record if he wins a third title. In 1978, he was voted US Sportsman of the Year. Davidson has been successful in sponsoring his international horses, the 11-year-old grey, Might Tango, who won the title in 1978, and the eight-year-old J. J. Babur, winner at Chertesterland last September and United States Amateur Champion. Davidson also gave a luncheon at the Turf Club Carlton House Terrace, at which Davidson and his wife Carol were the guests of honor.

Davidson won an Olympic team

[illegible]

silver medal in Munich in 1972 as a team and individual gold medals in the 1974 world championships. Burghley, an Olympic team gold medal in Montreal in 1976 as part of the world title in Lexington in 1978. Early in 1979, he smashed his leg and was unable to walk for 12 months, but came storming back.

An ardent foxhunter, he started all his young Americans thoroughbred horses in the hunting field, though they were not too valuable to be put at risk. Next weekend he rides Weston Park (Shropshire) then Downlands (Liphook), Frensham (where he is in training at the premises of Mrs Olive Jackson who owns the Cheltenham Gold Cup winner, Midnight Court) and at Brigstock, early in April which will be his last outing before Badminton.

1. *Journal of the American Medical Association*, 1997; 277: 1039-1043.

By Keith Macklin

fter much negotiation, some of the most difficult and fraught with disagreements, and counter proposals, the tour subcommittee of the Rugby League will complete today the itinerary for the Australian touring team in Britain in October and November.

Difficulties have been found in

be an incentive for Great Britain to win the series.

The venues for the semi-final of the challenge cup were announced yesterday, and were as expected: The Castleford, Hull and Wakefield.

Full time on Saturday week March 27, will be at Headingley with F.D. Thompson (Huddersfield) as referee.

negotiating with the Australian authorities regarding the placement of matches in England. It has now been agreed that a seven-week tour will begin on October 6. Today's committee meeting will decide which teams and combined sides will play. There will be three international matches, sponsored by Commonwealth Insurance, who are backing the Great Britain side. The first of these will be played with Australia but will be a field referee.

The outcome of tonight's quarter final replay between Widnes and Bradford Northern will decide the other venue. This semi-final will be played on April 12. The other semi-final will be Widnes play Leeds the game will be at Swinton; if Bradford Northern win tonight the semi-final will be at Parkenton Roversfield. The clubs are depending on the home crowd.

More threats

Brisbane, Australia, March 16 — New Zealand will ignore threats of an African boycott and take part in September's Commonwealth Games, "with heads held up". Mr Hugh Templeton, New Zealand's Trade and Industry Minister, said here today.

Black African nations have threatened to stay away from Brisbane if New Zealand competes in the games. The boycott will be a protest against New Zealand for allowing a South African rugby team to play there.

"I am confident that the more seasoned and more knowledgeable African leaders will understand New Zealand's position," Mr Templeton said. — AP.

1. *Chlorophyll a* and *Chlorophyll b* were determined by the method of Lichtenthaler and Whistler (1973). The total chlorophyll content was determined by the method of Arar and Cook (1980). The carotenoid content was determined by the method of Lichtenthaler and Whistler (1973). The total phenolic content was determined by the method of Singleton and Rossi (1965). The total flavonoid content was determined by the method of Singleton and Rossi (1965). The total protein content was determined by the method of Lowry et al. (1951). The total carbohydrate content was determined by the method of Dubois and Gilles (1950). The total lipid content was determined by the method of Folch et al. (1957). The total ash content was determined by the method of AOAC (1990). The total acid content was determined by the method of AOAC (1990). The total base content was determined by the method of AOAC (1990). The total nitrogen content was determined by the method of Kjeldahl (1900). The total sulfur content was determined by the method of AOAC (1990). The total phosphorus content was determined by the method of AOAC (1990). The total potassium content was determined by the method of AOAC (1990). The total calcium content was determined by the method of AOAC (1990). The total magnesium content was determined by the method of AOAC (1990). The total iron content was determined by the method of AOAC (1990). The total zinc content was determined by the method of AOAC (1990). The total copper content was determined by the method of AOAC (1990). The total manganese content was determined by the method of AOAC (1990). The total cobalt content was determined by the method of AOAC (1990). The total nickel content was determined by the method of AOAC (1990). The total boron content was determined by the method of AOAC (1990). The total selenium content was determined by the method of AOAC (1990). The total iodine content was determined by the method of AOAC (1990). The total bromine content was determined by the method of AOAC (1990). The total fluorine content was determined by the method of AOAC (1990). The total chlorine content was determined by the method of AOAC (1990). The total oxygen content was determined by the method of AOAC (1990). The total hydrogen content was determined by the method of AOAC (1990). The total carbon content was determined by the method of AOAC (1990). The total nitrogen content was determined by the method of Kjeldahl (1900). The total sulfur content was determined by the method of AOAC (1990). The total phosphorus content was determined by the method of AOAC (1990). The total potassium content was determined by the method of AOAC (1990). The total calcium content was determined by the method of AOAC (1990). The total magnesium content was determined by the method of AOAC (1990). The total iron content was determined by the method of AOAC (1990). The total zinc content was determined by the method of AOAC (1990). The total copper content was determined by the method of AOAC (1990). The total manganese content was determined by the method of AOAC (1990). The total cobalt content was determined by the method of AOAC (1990). The total nickel content was determined by the method of AOAC (1990). The total boron content was determined by the method of AOAC (1990). The total selenium content was determined by the method of AOAC (1990). The total iodine content was determined by the method of AOAC (1990). The total bromine content was determined by the method of AOAC (1990). The total fluorine content was determined by the method of AOAC (1990). The total chlorine content was determined by the method of AOAC (1990). The total oxygen content was determined by the method of AOAC (1990). The total hydrogen content was determined by the method of AOAC (1990). The total carbon content was determined by the method of AOAC (1990).

Sydney Friskin

It is almost certain that England's tour of the Soviet Union in September will not take place. They were invited to play a tournament in Moscow against the Soviet Union, Malaysia and India, but the management think the invitation should be declined as the event does not fit in with current plans.

This item, among others, will be considered on Friday at the meeting of the executive committee of the International Association Council, who will also decide whether the invitation to the Soviet Union to take part in the international tournament at Queen's Park Rangers is sound in principle. The chairman of the council should be heard before the council is asked to answer by the council is the state from which England's participation in the preparation for the 1954 Olympic Games should be.

Authorized Units, Insurance & Offshore Funds This table is published on Wednesday and Saturday[illegible]

life
near Community.

Residential property by Baron Phillips

Go house hunting now while the going's flat



The Curzon Street office of Jackson Staps & Staff is selling this turn of the century six-bedroom house at Miltstead, near Sittingbourne, Kent. Standing in about 36½ acres the property is being offered for sale by private treaty or auction with an expected price of about £175,000.

being restored to the market through some real growth in the economy and falling unemployment.

One side issue which may emerge as the cost of home buying comes down is that all the extremely worthy marketing ploys employed by the large housebuilders — cheap mortgages, free fees, and various other incentives, may begin to disappear as demand grows.

The effect of poor output by the builders over the last two years has finally woken them up to the fact that they have to sell houses rather than simply build them. Barratt Developments have been leaders in this and it would be uncharacteristic of the group to resort to old methods. In an easier market there is clearly less need for incentives as we have witnessed over the past 18 months or so, but in their place we may get a lot more gimmicks to induce buyers to plump for one type of

a house rather than another. Perhaps we will see housebuilders giving more attention to internal features as part of their marketing strategy compared with homes at the cheapest possible price.

The general agreement in City circles is that we can expect modest rises in house prices over the coming year providing there is no serious setback in the economy. Mr. Erith goes even further. He forecasts one final explosion of prices towards the middle of the decade as the baby boom of the early 1960s increases pressure on the market with a surge of potential house buyers looking for homes of their own.

But for the moment potential housebuyers should start inspecting property while the market is still reasonably flat. It is unlikely to remain so for much longer and, while there is plenty of mortgage money about, now is an excellent time to buy.

Now the Budget is more than a week behind us it is time to take stock of what is likely to happen to the housing market over the coming year. All the signs are good and it looks as though we might experience a higher degree of activity than we have become accustomed to since the autumn slump.

Housebuyers and home owners have been helped in three ways, which will help bring to the market some much needed confidence.

Lower interest rates, increased home improvement grants and an easing of the stamp duty burden should do much to give the market a fillip in the coming months.

There is no doubt that the full-scale marketing war which appears to have broken out between building societies and the banks must be to the overall benefit of house buyers. The unprecedented vying for the mortgage market between the two institutions contributed greatly to the record cut in the mortgage interest rates announced last week by the building societies, bringing their basic rate down to 13½ per cent from 15 per cent.

Although the banks, with the exception of the National Westminster and the Trustee Savings Bank (TSB), do not appear to have been quite so generous it is always worth checking what the actual monthly repayments are before choosing your lending institution. Banks like Barclays may only be offering 13½ per cent but, because they calculate their rates differently from building societies, you will find little difference in your repayments.

The hope and expectation in the industry is that general interest rates will continue falling, dropping to about 12 per cent by midsummer. If this is the case then it may well herald a further cut in mortgage rates but this depends on what happens across the other side of the Atlantic and prime lending rates in the US.

Certainly, post budget euphoria has swept through the

industry and some leaders were talking confidently about mortgage interest rates of about 12 per cent by autumn. If this is the case then we can expect a general hardening up of house prices, which many agents claim is already beginning to happen and the start of a real upward movement.

But, according to Mr. Bob Erith of stockbrokers Savory Milly, the overall rise this year is likely to be about the 5 per cent mark. What Mr. Erith is forecasting is an expansion of private housebuilding activity especially in the latter half of the year, with much of it aimed at the first time buyer, who is regarded as the big growth market.

All these factors combined will help make 1982, in the words of Mr. Paul Jackson, of agents Jackson & Jackson, "the year of the homebuyer". But will they contribute to anything more than a marginal rise in prices? Much will depend in confidence.

TESTING TIMES

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KNIGHTSBRIDGE

PARLIAMENTARY NOTICES

IN PARLIAMENT

GREAT LONDON COUNCIL

NOTICE IS HEREBY GIVEN

that the Greater London Council

has decided to call a special

meeting of the Council on

Tuesday, 23rd March 1982, at

10.00 a.m. at the Council

Chamber, 6th Floor, City

Hall, London E.C.2.

The purpose of the meeting

will be to consider the

report of the Council's

Committee on the

Environment, and to

decide on the Council's

response to the

recommendations of the

Committee.

The meeting will be held

in the Council Chamber,

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